

2006 Consolidated Annual Performance and Evaluation Report (CAPERS)

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**Please contact City staff for a Print version of the FY 2006 CAPER for all items not included here.*



First Program Year CAPER

The CPMP First Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

GENERAL

Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the first year.

Program Year 1 CAPER Executive Summary response:

Community Development Block Grant Narrative

Introduction

The City of Cambridge has successfully completed the first year of the City's Five-Year Consolidated Plan. Activities undertaken during this period reflect the goals and objectives as stated in the City's Five-Year Consolidated Plan for Fiscal Years 2006 to 2010 and the FY 2006 One-Year Action Plan. What follows below is a broad overview of how each receiving Division within the City utilized CDBG funds in relation to the One-Year Action Plan, and how these activities contributed to the fulfillment of objectives as stated in the City's Five-Year Consolidated Plan. Please refer to each Division's separate Narrative for details not elucidated here.

The City is pleased to report solid performance across all Divisions and objectives in FY 2006. Where one program or objective experienced lower performance than expected a different program would over-perform. This exemplifies the broad array of programs offered and evidences the City's continuing efforts to be effective stewards of federal funds in the service of its residents.

Overview of CDBG Funded Activities	Housing	Economic Devmnt	Community Planning	Public Services	Public Facilities
Accomplishments - FY 2006 - 2010	Units	Clientele	People Assisted & Deliverables	People Served	CDBG Funded Parks
Anticipated	1,300	627	6,060	21,575	5
Actual through Year One	298	111	2,190	3,955	1
% Complete Compared to FY06 Con Plan	23%	18%	36%	18%	20%
Expenditures - FY 2006 - 2010					
Actual for Year One	\$3,115,123	\$265,428	\$275,749	\$603,856	\$431,752
Total for FY2006-2010	\$3,115,123	\$265,428	\$275,749	\$603,856	\$431,752

Housing

The Housing Division has continued to be successful in providing and expanding affordable housing opportunities for Cambridge residents while also facing a very challenging real estate market. High land and construction costs, condominium conversions, a great demand to live in Cambridge, and intense competition from private housing developers have all contributed to the difficulty of creating and maintaining affordable units. Despite these challenges, the Housing Division still created, preserved or assisted in the rehab of 249 affordable ownership or rental units. Funds from HUD were essential in the achievements of the Housing Division and leveraged \$22.2 million from other public and private sources.

The Housing Division works chiefly with local non-profit housing organizations, including Homeowner's Rehab, Inc. (HRI), Just-A-Start Corporation (JAS), Cascap, Inc., Cambridge Neighborhood Apartment Housing Services (CNAHS) and the Cambridge Housing Authority (CHA), to advance the following affordable housing programs:

- Affordable Housing Development: Through the Affordable Housing Development Program, HRI, JAS, CASCAP and the CHA develop affordable rental and homeownership units through acquisition, rehab and/or new construction of property in Cambridge.
- Home Improvement Program (HIP): Both JAS and HRI administer home improvement programs for the Housing Division. This program provides technical and financial assistance to low-, moderate- and middle-income Cambridge homeowners, and help stabilize owner-occupants in their homes while assisting them with needed home repairs.
- Privately-owned Multi-family Rehab: CNAHS works to improve the condition of multi-family rental housing in Cambridge while preserving and creating affordable housing without displacing existing tenants. CNAHS offers low-interest financing to multi-family owners who agree to rent their units to low- and moderate-income tenants at affordable rents.
- Rehab Assistance Program (RAP): Through RAP, JAS coordinates a unique program offering underserved Cambridge youth employment and skills training while engaging them in the rehab and development of affordable housing.

In the HIP and Multi-family Rehab programs, JAS, HRI and CNAHS derive Program Income through the re-payment of principal and interest to their respective Revolving Loan Funds from owners or assisted property. Program income is reported as required by HUD. Regarding other HUD requirements, Housing Division staff follow the Uniform Relocation and Real Property Acquisition Policies Act (URA), Section 104(d) of the Housing and Community Development Act and all HOME and CDBG requirements.

In addition to these programs, Housing Division staff oversee the Inclusionary Housing Program, which requires that private owners developing new or converted residential developments with ten or more units to provide 15 percent of the units as affordable housing. The units are affordable for the life of the building.

The City assisted 39 extremely low-income households, or households earning 30% less of the Area Median Income, through the affordable housing development program, the HIP programs and CNAHS. In FY2006, the Housing Division exceeded its objectives and goals of creating new affordable rental units and new homeownership units during this time. The Housing Division anticipates more success in providing and expanding affordable housing opportunities for Cambridge residents in the next four years and sees FY2006 as a solid start to accomplishing the goals set out in its Strategic Plan for 2006 to 2010.

Housing Accomplishments FY 2006	5 Year Goal (units)	Year 1 Anticipated (units)	Year 1 Actual (units)	Five-Year Goal Completion Percentage	Total Accomplishments: FY06 to FY10	Year 1 Total Spend
Affordable Housing Development	550	110	142	25.82%	142	\$1,087,829
CNAHS	250	50	32	12.80%	32	\$81,013
Home Improvement Program	250	40	68	27.20%	68	\$1,681,847
Rehab Assistance Program	250	50	56	22.40%	56	\$264,434
Division Total	1300	250	298	22.92%	298	\$3,115,123

Economic Development

FY 2006 demonstrated the continuing effectiveness of several on-going programs in both job training and small business assistance, and also demonstrated some “growing pains” in newer programs as their performance was scrutinized in order to achieve maximum efficiency.

The two primary objectives of the Economic Development Division are to “Cultivate a supportive environment for local business and entrepreneurship with particular emphasis on micro-enterprises” and to “Support efforts to sustain a diverse array of employment opportunities accessible to Cambridge workers including support for training of low and low-moderate income Cambridge residents for jobs in the bio-medical and healthcare industries.”

The Division’s job training program continues to perform well in an ever-important task of providing upward mobility for unskilled workers. The Best Retail Practices program is experiencing continued success and high demand among Cambridge’s small retailers. The program has also served as a model for other municipalities at HUD’s request. The Financial Literacy program experienced difficulty in achieving some of its goals. The City has worked diligently with the sub-recipient to improve the programs weaknesses going forward.

Economic Development Accomplishments FY 2006	5 Year Goal (businesses served)	Year 1 Anticipated	Year 1 Actual	Five-Year Goal Completion Percentage	Total Accomplishments: FY06 to FY10	Year 1 Total Spend
Financial Literacy & Small Business Assistance	450	90	63	14%	63	\$102,350
Retail Best-Practices	120	24	24	20%	24	\$48,944
Job Training	57	30	24	24%	24	\$114,134
<i>Division Total</i>	<i>627</i>	<i>144</i>	<i>111</i>	<i>18%</i>	<i>111</i>	<i>\$265,428</i>

Neighborhood Revitalization Strategy

The City re-submitted its Neighborhood Revitalization Strategy (NRS) for its Five-Year Plan for FY 2006 to FY 2010 and was approved by HUD staff to continue programs which had a proven track record. Following HUD mandated guidelines the City identified the portion of Cambridge most in need of targeted funds and programs. These programs are aimed primarily at the stabilization of neighborhoods through assistance to middle-income homeowners and economic empowerment for low-mod-income residents through job and financial awareness training and small business assistance. The City has two (2) NRS areas, one in the eastern part of the City that runs from the Charles River across Central Square to the Somerville line and another that incorporates much of northern Massachusetts Avenue, as well as the Rindge housing towers.

Fiscal year 2006 saw the continued success of the Just-A-Start Bio-Med training program, Cambridge Health Alliance job training program, Best Retail Practice assistance programs and the continued expansion of the Home Improvement Program (HIP) in the inclusion of middle-income residents.

NRS Accomplishments FY 2006	5 Year Goal	FY 06 Anticipated	FY 06 Actual	Three-Year Goal Completion Percentage	Total Accomplishments: FY06 - FY10
Economic Development					
Retail Best-Practices	120	24	24	20%	24
Financial Literacy	440	88	38	9%	38
Healthcare	n/a	22	15	n/a	15
Bio-Med Program	40	8	9	23%	9
Affordable Housing					
Stabilization through HIP	50	10	8	16%	8

Community Planning

Cambridge's Community Planning Division plays an integral part in the City's development, and how that development is designed and enacted with public awareness and interaction. Community Planning provides high quality technical assistance to staff members, the City and residents for all department operations and provides information

to the public on various planning and zoning initiatives. The Department also staffs and assists the Planning Board, working with various interested parties, both public and private, in developing, reviewing and implementing various urban design improvements.

In FY 2006 the Community Planning Division finished working with the Planning Board on the rezoning proposals of the Concord-Alewife Planning Study (ConAle) and delivered a zoning petition to the City Council for the use of under-developed commercial / industrial area in the City. The Division also worked to develop recommendations for the Prospect Street corridor. One Open Space / Playground initiative was completed, and the planning process for three more projects began. The Community Planning Division met its FY 2006 public outreach goal through the many programs, events and initiatives undertaken during the period.

The Community Planning Division continued its strong performance in FY2006, meeting and exceeding nearly every goal. This performance typifies the Division's overall performance for the five-year period covered by the previous Consolidated Plan, where they produced more than 50% above what was expected.

Community Planning Accomplishments FY 2006	5 Year Goal	Year 1 Anticipated	Year 1 Actual	Five-Year Goal Unit Completion Percentage	Total Accomplishments: FY06 - FY10	Year 1 Total Spend
Technical Assistance to Staff Members	60	15	15	25%	15	n/a
Provide Information on Planning and Zoning	4,000	800	1,700	43%	1,700	n/a
Outreach for Urban Design Plans & Proposed Development	600	120	100	17%	100	n/a
Develop, Implement & Review Urban Design Improvements and Master Plan	100	24	24	24%	24	n/a
Staff & Assist Planning Board	120	24	30	25%	30	n/a
Parks & Playgrounds:					0	
<i>Renovations</i>	25	5	4	16%	4	<i>n/a</i>
<i>Technical Assistance</i>	30	6	6	20%	6	<i>n/a</i>
Total Parks & Playgrounds	40	11	10	25%	10	n/a
Increase Quality & Availability of Planning-Related Information:					0	
<i>GIS Maps</i>	600	120	200	33%	200	<i>n/a</i>
<i>Presentations</i>	500	100	100	20%	100	<i>n/a</i>
<i>Project & Program Materials</i>	20	4	4	20%	4	<i>n/a</i>
<i>Major Department Initiatives</i>	20	4	7	35%	7	<i>n/a</i>
Total Deliverables	1140	228	311	27%	311	n/a
Division Totals	6,060	1,222	2,190	36%	2,190	

Public Services

The City of Cambridge provides a comprehensive array of Public Services and programs for its residents through the Department of Human Services. The Department's mission is to improve the quality of life for Cambridge's youths, seniors and all residents by creating and coordinating public services. The scope of the work the Department of

Human Services undertakes is impressive and its effectiveness in executing its objectives is seen in the number of Cambridge residents assisted each year through its programs.

The Department delivered these services through programs aimed at: Training and counseling for gainful employment; Legal services for at-risk families and individuals; services for Battered and Abused spouses; Child Care services; counseling and support initiatives for at-risk Youths and their families; programs for the City's Seniors and various General services which do not fit easily into a HUD specified category. The Department of Human Services also administers the City's Continuum of Care and ESG programs, which provide comprehensive services to homeless and at-risk individuals and families throughout Cambridge.

Cambridge's Public Service initiatives serve a Limited Clientele {24CFR 570.208(a)(2)(i)(A)(B)} of low and moderate-income individuals and families. The City's Public Service non-profit subcontractors undertake Income Verification and maintain such records for all applicable programs and persons. The only portion of the Limited Clientele "assumed" to be low or moderate income is the homeless, who are served through the Emergency Shelter Grant.

Fiscal Year 2006 presented certain challenges to the Public Services Department to deliver its services as nearly all of its sub-recipients continued to digest reductions in funding due to the overall economic slowdown. As state and private funding resources reduced their contributions, services were necessarily scaled back in order to maintain safe and effective operations. Compounding this problem is the increase in unemployment, which leads to a higher homeless and at risk population. Heightened administrative requirements that were not accompanied by an increase in funds to offset the burden also presented a challenge to nearly all service providers.

Despite these challenges, the Department of Human Service Providers and their partners were able to serve 90% of the clients it anticipated. This performance was exemplary of the work the Division has performed over the previous five-year period, an accomplishment most impressive given the increasingly difficult economic situation the providers face.

Public Services Accomplishments FY 2006	5 Year Goal	Year 1 Anticipated	Year 1 Actual	Five-Year Goal Completion Percentage	Total Accomplishments: FY06 - FY10	Year 1 Total Spend
General	16,000	3,200	2,894	18.09%	2,894	\$332,669
Battered & Abused Spouses	1,250	250	153	12.24%	153	\$52,136
Employment Services	1,250	250	258	20.64%	258	\$57,588
Legal Services	325	65	61	18.77%	61	\$19,991
Senior Services	1,500	300	346	23.07%	346	\$37,545
Youth Services	1,250	250	243	19.44%	243	\$74,375
Program Total	21,575	4,315	3,955	18.33%	3,955	\$574,304

HUD Monitoring

In March of 2006 the City of Cambridge underwent an on-site monitoring of its CDBG programs by the HUD Community Planning and Development (CPD) representative assigned to the City. The monitoring focused on the City's overall CDBG management with a special focus on its Economic Development programs, as Economic Development activities are often the most difficult to develop, run and assess.

The City was found to be in compliance with all HUD regulations and expectations in its overall management of the CDBG program and in its Economic Development programs. HUD was especially impressed with Economic Development's **Best Retail Practices** program, and has used this program as a model for other communities to emulate. The City takes great pride in its thoroughness and effectiveness in utilizing HUD funds for the benefit of its residents and views the results of this monitoring visit as a validation of its commitment to sound management and creative program design.

Training

Representatives of all City divisions that utilize CDBG, HOME and ESG funds attended a multi-day training symposium conducted by HUD during the summer of 2006. The training focused on HUD's now-mandated performance evaluation metrics. This year's CAPER is the first where grantees are required to report on HUD defined performance outcome metrics. The City had employed these metrics before they were required in previous CAPERs and are likewise greatly ahead of the curve in this regard.

City staff representing the Housing Division and CDBG Management also attended a certificate course in the administration of HOME program in August of 2006. The multi-day course provided in-depth and situational information on the complexities of the HOME program.

EnergyStar

The City of Cambridge requires that all new-construction affordable rental and home-ownership units meet EnergyStar efficiency standards. As energy costs continue to rise the cost of heating and cooling a home becomes more of a burden on low and moderate income families. In FY2006 the City created **49** EnergyStar compliant units, **29** of which were new-construction rental units and **20** were new-construction home-ownership units.

Location

The locations of all activities undertaken in FY 2006 are located in the IDIS report C04PR 23, found in the FY 2006 CAPER IDIS Reports. A description of who may apply for assistance, the process for selection of who will receive the assistance and how much and under what terms the assistance will be provided can be found under the section entitled Affordable Housing

Objectives and Economic Development Objectives in the City's FY 2006 One-Year Action Plan and the Five-Year Consolidated Plan for FY 2006 to 2010..

Activities By Geographic Area

Cambridge attempted to concentrate resources that benefit existing residents in the CDBG-eligible areas where the highest concentration of low and moderate-income households live. For affordable rental and homeownership projects and public services programs, we will support projects in all parts of the City. Cambridge supports the even distribution of CDBG, HOME and ESG funded activities throughout the neighborhoods of the City that demonstrate need and where opportunities to increase the affordable housing stock exist.

Basis For Assigning Priority Needs

For a complete and thorough description of the process and criteria employed in determining the priority assigned to each Priority Need please see each division's individual narrative and the City's FY 2006 One-Year Action Plan and Five –Year Consolidated Plan for FY2006 to 2010.

Activities that are assigned as a “High” priority are those which are slated to receive HUD funds through the Community Development Department and Department of Human Service Providers as stated within the Plan, those that are assigned a “Medium” priority are those that the City intends to fund, but do not involve federal entitlement grant funds. Activities that are assigned a “Low” priority are activities that are not receiving community development funds as stated within this Plan, but may receive funding from other City departments or sources, and as such may be a higher prioritized need than this Plan's scope. Certain other priorities receiving a “Low” priority rating are not currently slated for funding by any City funding sources or programs.

Obstacles to Meeting Underserved Needs

The primary obstacle to meeting the underserved needs in the City of Cambridge is a lack of available funding to the City and to the various non-profit agencies the City partners with in serving the low and moderate-income residents of Cambridge. As entitlement grants shrink or remain level-funded the cost of delivering services and completing projects increases, creating, in the recent past and present, an ever-widening spread of cost and available funds. Mirroring this trend is the increasing difficulty in leveraging funds through state and private resources, also decreasing or stagnant in recent times. Cambridge is fortunate in regards to its robust tax-base, but despite this local trend the overall availability of funds from both federal, state and other private resources continues to decline as inflation, and therefore costs, rise.

Financials

FY 2006 LEVERAGED FUNDS - HOUSING PROGRAMS

Sources	Totals
FEDERAL SOURCES (Non-CDBG or HOME)	
AmeriCorps - Corporation for National Service	274,469
Rehab Assistance Program (RAP)	388,030
Employment Resources Inc. (ERI) WIA (Fed)	121,204
Leadsafe Cambridge - Federal Funds	143,750
YouthBuild USA	286,366
SUB-TOTAL	1,213,819
STATE SOURCES	
State HOME (distributed through DHCD)	930,000
DHCD Soft Second Loan Program	5,117,129
DHCD - Housing Stabilization Funds III	400,000
Mass Housing: Delead	287,700
State Department of Education (State Youthbuild)	155,455
Mass Affordable Housing Trust	960,000
SUB-TOTAL	7,850,284
LOCAL/CITY SOURCES	
Cambridge Historic Commission	32,220
Cambridge Affordable Housing Trust	7,342,888
Cambridge Mayor's Program	12,800
Contribution of City Land (Appraisal Citizens Bank)	3,040,000
City of Cambridge - Local Taxes	100,000
SUB-TOTAL	10,527,908
PRIVATE & NON-PROFIT EQUITY SOURCES:	
Owner Contribution	1,754,449
Associate Grant Makers (AGM)	19,000
Other Private	65,244
Commonwealth Corporation (Ctr for Youth Development & Education)	401,984
Cambridge Trust Company	60,169
Cambridge Housing Authority	24,051
CNAHS	1,366,000
Cambridge Harvard 20/20	1,335,610
JAS	305,189
LISC HARVARD	281,071
MIT	5,750
Revolving Loan Funds (RLF)	238,388
First-time Homebuyers Downpayment and Mortgage	2,154,000
Other Banks	969,000
East Cambridge Savings Bank	212,000
Program Participants Equity	212,000
Cambridge Savings Bank	322,269
Project Reserves	421,459
Returns from other projects invested in another project	1,199
SUB-TOTAL	10,147,633
GRAND TOTAL OF LEVERAGED FUNDS	29,739,644

FY2006 MATCHING FUNDS REPORT - EMERGENCY SHELTER GRANT (ESG)

Program	FY 2007 Program	07 Grant*	Private Leverage	State Leverage	Federal Leverage	Total Leverage	Source
Women's Drop In	salaries & utilities	\$ 28,000	\$ 52,458			\$ 52,458	Private Fundraising
Shelter Plus Care	salaries	\$ 20,000	\$ 27,424			\$ 27,424	Fundraising
Wet Shelter	operating costs	\$ 18,332		\$ 58,305	\$ 16,200	\$ 74,505	MA DPH & Somerville CDBG
Family Shelter	renovations	\$ 7,500		\$ 15,000		\$ 15,000	DTA
Drop In Shelter	operating costs	\$ 10,000	\$ 10,000			\$ 10,000	Private Fundraising
Shelter	operating costs	\$ 8,000	\$ 23,000			\$ 23,000	Volunteer labor
Battered Women Shelter	operating costs	\$ 8,500	\$ 20,000	\$ 10,000		\$ 30,000	DSS, United Way, Private Funds
St. Patrick' Women's Shelter	utilities	\$ 6,500	\$ 6,500			\$ 6,500	United Way
Harvard Square Shelter	operating costs	\$ 2,800	\$ 17,500	\$ 31,000		\$ 48,500	State (MHSA) & Private Fundraising
St. James Summer Shelter	operating costs	\$ 2,635	\$ 26,780		\$ 3,000	\$ 29,780	Private & Federal Summer work Study Grant (FSWS)
Cambridge Rental Assistance Program	rental assistance	\$ 5,200			\$ 16,605	\$ 16,605	SHP funds
Residence/ Shelter	utilities	\$ 5,600	\$ 6,000			\$ 6,000	Private Fundraising
Youth on Fire day drop in	rent	\$ 9,000	\$ 55,000	\$ 141,200	\$ 220,004	\$ 416,204	Federal (SHP + SAMHSA) + State (DPH) + foundations
Administration @ 5%		\$ 6,951					
TOTALS:		\$ 139,018	\$ 244,662	\$ 255,505	\$ 255,809	\$ 755,976	

Resources

The following section describes federal, state, local and private funding and program resources that the City of Cambridge utilized in conjunction with HUD appropriated funds in all programs in FY 2006.

FEDERAL RESOURCES

American Dream Downpayment Initiative (ADDI)

Signed into law on December 16, 2003, The American Dream Downpayment Initiative (ADDI) was created to increase the homeownership rate among low-income and minority households, and to revitalize and stabilize communities. ADDI will provide financial assistance for closing costs, downpayment assistance, and housing rehabilitation, thereby reducing the most common barriers to homeownership. The program will provide low-income families with the opportunity to build assets and share in the American dream of homeownership. The City will use its allocation in conjunction with its Financial Assistance Program to assist low-income households in Cambridge to become homebuyers.

AmeriCorps

This dynamic program provides workforce development to unemployed youths, ages 17-24 who dropped out of high school. During the program year, participants attend classes and spend a portion of their time working on supervised housing rehabilitation crews. The crews provide carpentry, renovation and beautification services to Cambridge's non-profit housing development organizations as they renovate and develop affordable housing units for low and moderate-income households. In addition to attending courses to attain their high school diploma, participants are also involved in community service and attend leadership trainings. Upon graduation from the JAS YouthBuild Program, they are equipped to achieve gainful employment, pursue a college degree, or attend trade school to advance their technical skills. To help in the transition, supportive counseling services are provided for at least one year after graduation.

Cambridge Health Alliance

The CHA administers Cambridge Health Care for the Homeless, a program operating in-shelter health care clinics for homeless individuals drawing on Federal Health Care for the Homeless grants.

CHA also conducts employee training and advancement for residents of Cambridge's Neighborhood Revitalization Strategy area.

The Cambridge Health Alliance is a regional health care system comprised of three hospitals, more than 20 primary care sites, the Cambridge Public Health Department and Network Health, a statewide managed Medicaid health plan.

Cambridge-Somerville Healthy Homes

The existing program managed by the Cambridge Public Health Department, actively serves families of children with asthma or other respiratory difficulties. Receiving referrals primarily from pediatric medical providers, the referred clients are then provided with a thorough home inspection to look for asthma triggers, asthma education, medical case management, and items to reduce exposure to asthma triggers and follow-ups. The program will work closely with Lead Safe Cambridge and anticipates contracting with local non-profit housing rehabilitation specialists to remediate structural housing concerns. The Cambridge Public Health Department is submitting an application to HUD's Office of Healthy Homes and Lead Hazard Control.

Community Development Block Grant Program

The City of Cambridge is an entitlement City that annually receives a direct allocation of CDBG funds, which is used to support a variety of programs and activities, including economic development, design and construction oversight of parks, playground renovations, housing services, and housing development. A majority of the City's CDBG funds are used for housing development activities and services, such as acquisition, rehabilitation, and new construction of affordable housing units by non-profit housing development agencies in Cambridge. In addition to leveraging funds for housing development, CDBG funds supports a variety of housing services and activities, including case management, tenant and landlord mediation services, homelessness prevention and other services for the homeless. The City's appropriation of CDBG funds among its programs reflects its strong commitment to providing decent and affordable housing, good community services, and a healthy economic base.

Conventional Public Housing Operating Subsidy

Federal operating subsidies are used by the Cambridge Housing Authority to make up the difference between the federally-determined allowable cost of managing and maintaining the family and elderly public housing stock and the amount of rent received.

Emergency Shelter Grant - HUD

The Massachusetts Executive Office of Health and Human Services has transferred responsibility to entitlement cities for Emergency Shelter Grant funds that the Commonwealth receives. The cities will now be able to allocate these funds along with the ESG monies they receive directly from HUD, provided the community has a Continuum of Care in place for homelessness programs.

HUD requires that each local government Grantee must match dollar-for-dollar the ESG funding provided by HUD with funds from other public and/or private sources. A grantee may comply with this requirement by:

- Providing matching funds itself, or
- Through matching funds or voluntary efforts provided by any recipient or project sponsor.

The City may use any of the following in calculating the amount of matching funds provided:

- Cash,
- The value or fair rental value of any donated material or building,
- The value of any lease on a building,
- Any salary paid to staff to carry out the program of the recipient; and
- The value of the time and services contributed by volunteers to carry out the program of the recipient at a current rate of \$5 per hour.

Federal Emergency Management Agency (FEMA) Funds

The Federal Emergency Management Administration makes grant funding available on an annual basis to food pantries and meal programs. FEMA also awards an annual grant to Catholic Charities, enabling the agency to issue payments to landlords to prevent eviction of low-income persons living in a larger region, which also includes Cambridge. Finally, FEMA also awards funding to the City of Cambridge Fuel Assistance Program, enabling the agency to issue payments to utility and oil companies to prevent or address shutoffs which would place a Cambridge or Somerville resident at risk of freezing.

Federal Mental Health and Substance Abuse Block Grant

These block grants are awarded to the State by the federal Department of Health and Human Services and fund a range of services including some of the treatment services utilized by homeless persons.

Federal PACE Grants

The Federal PACE grants provides funding for mental health outreach services for homeless persons. This grants, received by Tri-City Mental Health, a regional provider of mental health services, help fund shelter-based and street-based mental health services.

HOME Entitlement Grant

The City of Cambridge is a participating jurisdiction that receives HOME entitlement funds that assist in carrying out the City's housing strategies. These housing strategies include providing loans to support the acquisition, new construction, and rehabilitation of affordable rental and homeownership housing units for low and moderate-income households. Since 1993, over 615 HOME-assisted affordable rental and homeownership units have been created in Cambridge through funding from the City's entitlement HOME funds received from HUD. These funds have also leveraged other public and private funds to help make new projects feasible.

HOME Match Contribution

Section 220 of the HOME Statute requires each that as a Participating Jurisdiction, the City is required to make match contributions on a Federal fiscal year basis. The match contributions must total not less than 25 percent of the funds drawn from the PJ's HOME Investment Trust Fund Treasury account in that fiscal year, excluding certain expenditures that are not required to be matched. These include administrative/planning costs; CHDO operating expenses; CHDO capacity building; CHDO site control, technical assistance and seed money loans for projects that do not go forward; and amounts provided from sources other than State HOME funds to make up the shortfall between a local PJ's allocation and the threshold amount.

Each Field Office must use IDIS to determine the fiscal year match liability of each of its PJs. This data is contained in report number CO4PR33, which displays a PJ's total fiscal year disbursements, those disbursements requiring matching funds, and the match liability amount. In turn each PJ must submit a HOME match report (form HUD-40107-A) as part of its Consolidated Annual Performance and Evaluation Report (CAPER). Field Offices must determine compliance with the matching requirements as part of the CAPER review. The City of Cambridge produces a Match Report annually with the CAPERS Report.

Leadsafe Cambridge Program

Since 1994, a series of four concurrent HUD grants ("Lead-Based Paint Hazard Control") totaling \$10.2 million dollars have supported the work of the Lead-Safe Cambridge (LSC) program. LSC strives to achieve two major policy goals: increasing access to

affordable lead-safe housing for low income families, and preventing the lead poisoning of Cambridge children. To this end, as of March 2004, the program has deleaded over 560 units of affordable housing, and over 150 yards have been made lead safe through the intervention of the Safer Soil program. LSC has been the recipient of several prestigious awards an American Society of Landscape Architects (ASLA) Merit Award in 1999; the “2000 HUD Best Practices Award of Excellence” award; and in 2003, LSC was the proud recipient of the eighth “Innovations in Fair Housing Award” from the Cambridge Human Rights Commission.

McKinney–Vento Supported Housing Program (SHP)

The SHP program is a federally funded competitive grant program annually re-authorized by Congress and administered by HUD which contributes upwards of \$1 million per year to fund a range of homeless programs, including permanent supported housing for persons with disabilities, transitional housing, and supportive services, including housing search, drop-in services, street outreach, etc.

McKinney–Vento Shelter Plus Care (S+C)

The S+C program, also funded out of the Mc-Kinney Vento Process, provides housing subsidies for disabled persons who have transitioned out of homelessness, and whose tenancies depend upon the ongoing receipt of supportive services. Services offered to S+C tenants are not funded through the S+C grants, which only pay for the housing subsidies.

Moderate Rehabilitation Single Room Occupancy Program

Through the McKinney and Shelter Plus Care programs, Mod Rehab SROs provide housing subsidies to support the moderate rehab of existing single room occupancy (SROs) buildings. In the past, the Cambridge Housing Authority has used this program to support a variety of projects.

Non-Public Housing Development

Through the flexibility provided under the Moving To Work Deregulation Demonstration Program, the Cambridge Housing Authority (CHA) and its non-profit affiliate, Cambridge Affordable Housing Corporation (CAHC) will develop new non-public housing development for low-income households as opportunities arise. Through acquisition and planned rehabilitation, the CHA has also expanded the housing options for low-income seniors, and since completing its last project, Neville Place Assisted Living, has significantly increased the number of assisted living units in the City.

Public Housing Capital Grant

The program provides a predictable flow of funds to the Cambridge Housing Authority for capital and management improvements and for associated administrative costs

Public Housing Development

CHA will vigorously pursue any opportunities for funding for public housing development over the next five years, although none have been funded by Congress.

Safe Havens for Homeless Individuals

This program provides financial assistance to local governments to support the acquisition, rehabilitation, and operating costs of low-cost, semi-private lodging for homeless persons with severe mental illness. Counseling to encourage residents' participation in treatment programs is a component of this program. The organization, On the Rise, operates a "Safe Haven Day Drop-In" for homeless women, as well as street outreach, but there is no resident component at this time.

Section 8 Certificates and Vouchers (Local Leased Housing Program)

The Section 8 Program was developed to offer low-income households a chance to obtain units in privately owned buildings. This establishes more diversity among income groups and provides an alternative to large-scale, isolated, low-income developments. The program, under the aegis of the Cambridge Housing Authority (CHA), is successful at placing residents in units, however the waiting lists are long. The success of the program in Cambridge has in large part depended on the regulatory flexibility granted to CHA as a result of its participation in the national MTW deregulation demonstration to respond to the City's escalating rental market. To facilitate its continued success, the CHA continues to use allowable rent levels that are at 110% of current area-wide Fair Market Rent (FMR) levels. The CHA is currently over 100% utilized and has closed the Section 8 waiting list, except for emergencies. The City would support any efforts to create a sub-market, where FMRs are determined using a more local standard, that is undertaken by the Housing Authority or HUD. A number of non-profits in the City are also working to preserve long-term affordability in a market in which rents are increasing rapidly. Section 8 certificates and vouchers are often a critical part of this process and the City supports changing regulations to allow the Housing Authority to create more project-based Section 8 units in collaboration with these non-profits.

Currently, CHA's participation in the Moving To Work Deregulation Demonstration allows the CHA to exceed HUD's regulatory caps on a number of policies, including FMR levels, the percentage of any given building that can be project-based, and the total percentage of income a program participant can contribute towards housing. In very limited circumstances, the CHA has exceeded the FMR upset cap and/or allowed residents to contribute a higher percentage of their income than regular program rules

would allow. In aggressive pursuit of Project-Based units, the CHA has been very successful in ensuring longer-term affordability of units in the City, determining on a case-by-case basis the number of units in any given development that should or can be project-based. At the end of the Demonstration, currently set at March 31, 2006, the CHA will need regulatory changes to continue this important work.

If funding for incremental vouchers/subsidies becomes available, the CHA will apply for additional monies. The CHA has 182 Section 8 Preservation Vouchers to protect the tenants in expiring-use buildings in the City, and does not expect any additional units.

Shelter Plus Care Program

The Shelter Plus Care Program provides subsidies for housing that provides service programs for homeless people with disabilities, primarily those with serious mental illness, chronic problems with alcohol and/or drugs, AIDS, and other related diseases. The Cambridge Housing Authority (CHA) continues to subsidize 18 scattered site units in this program.

Supportive Housing for Persons with Disabilities (Section 811)

This program supports nonprofits in developing supportive housing with appropriate services for persons with disabilities. To the extent that appropriate sites are available, Cambridge will support applications under this program that are consistent with the Consolidated Plan.

Supportive Housing Program

This program provides grants to defray the cost of acquiring or rehabilitating buildings to house homeless persons. Operating subsidies and service funding are also eligible. The Department of Human Service Programs (DHSP) currently administers Supportive Housing Program subcontracts with 20 service providers, totaling approximately \$3.6 million annually. Annually, DHSP will pursue funding through the HUD SuperNOFA for renewal of the Housing Resource Team, Housing Search and Post Placement Stabilization Program administered by HomeStart. They will also apply for funding for new programs to support stabilization for homeless families that have been placed into permanent housing; the 'Youth on Fire' clinical and case management services for homeless youth; and a homeless management information system that will be administered by UMASS. DHSP is in the process of assembling its application for HUD's SuperNOFA.

Program Income

Program income, defined as loan repayments, or net cash reserves produced by any project funded in whole or part by Community Development Block Grant (CDBG), Housing for Persons With Aids (HOPWA), Emergency Shelter Grant (ESG), or the HOME Investment Partnership (HOME) will be expended on projects/programs before new funds are drawn down from the U.S. Treasury.

Workforce Investment Act

The Workforce Investment Act (WIA) is funded through the Department of Labor and is the primary funding source for Just A Start's (JAS) Summer Youth Program. Each year, the Summer Youth Program enrolls approximately 65 young teens, predominantly ages 14-16 in a Work Experience/Academic Enrichment Program for 6-7 weeks in July and August. They spend half their time on supervised crews, which provide repair, and beautification services on CDBG eligible properties and on Cambridge Housing Authority developments. The other half of their time is spent on academic enrichment activities to develop literacy and math skills, and on career development activities to help them develop work skills and career goals.

YouthBuild

YouthBuild is a HUD training program and funding source that enables youths who have dropped out of high school to pursue a GED, while gaining technical skills in the workforce. Administered by Just A Start Corporation (JAS), participants who ages range from 17-24, attend classes to earn a GED certificate, and also spend a portion of their time working on supervised housing rehabilitation crews. The crews provide carpentry, renovation and beautification services to Cambridge's non-profit housing development organizations as they renovate and develop affordable housing units for low and moderate-income households. Participants are also involved in community service and attend leadership trainings. Upon graduation from the JAS YouthBuild Program, participants are equipped to achieve gainful employment, pursue a college degree, or attend trade school to advance their technical skills. To help in the transition, supportive counseling service is provided for at least one year after graduation.

STATE RESOURCES

Cambridge Housing Assistance Program

The City of Cambridge and the State of Massachusetts fund the Cambridge Housing Assistance Program (HAP). This program prevents homelessness through tenant and landlord counseling and mediation. It also provides housing search and stabilization services. The Department of Human Service Programs receives funds as a subcontractor of CAPIC in Chelsea who receives and regionally distributes the HUD funds.

Community Preservation Act: State & Locally Raised Funds

The Community Preservation Act is a new tool for communities to preserve open space, historic sites, and affordable housing. Signed into legislation by Governor Cellucci on September 14, 2000, the Community Preservation Act (CPA) is a local option that enables communities to establish a municipal Community Preservation Fund by local referendum. Monies collected for this fund are raised from a surcharge of up to 3% on local property taxes. Cambridge adopted the Act at the 3% surcharge level in fall 2001 and is now eligible for state matching funds. The City's Affordable Housing Trust seeks to be increased through the Community Preservation Act (CPA) to approximately \$7.2 million annually. This will enable the City to maintain its production and ability to raise funds from other sources including federal, additional state, local, and private sources. The City's Affordable Housing Trust will utilize its CPA funds to create and preserve affordable housing.

Housing Stabilization Funds

The Housing Stabilization Program, funded through the Department of Housing and Community Development (DHCD), has been used to support neighborhood restoration and affordable housing rehabilitation. The City will support non-profit applications for Housing Stabilization Funds as appropriate.

Massachusetts Affordable Housing Trust Fund (AHTF)

The Massachusetts Affordable Housing Trust Fund (AHTF) was created with the enactment of Section 227 of Chapter 159 of the Acts of 2000, now known as Chapter 121D of the Massachusetts General Laws (the Statute). The AHTF is designed to provide resources to create or preserve affordable housing throughout the state for households whose incomes are not more than 110% of the area median income, as determined by the U.S. Department of Housing and Urban Development (HUD). The AHTF was funded at \$20,000,000 per year for three-Years (State Fiscal Years 2001 – 2003) from the state's General Fund. In June 2003, the Legislature adopted language in Section 631 A of

Chapter 26 of the Acts of 2003 to provide for the capitalization of the AHTF via bond authorizations. The budget language authorized bond issues totaling \$70,000,000 to capitalize the fund over a five-year period (fy2004-2008).

Soft Second Loan Program

The Soft Second Loan Program is a mortgage product that reduces a borrower's monthly mortgage costs. Cambridge will request a commitment from the Department of Housing and Community Development (DHCD) to fund interest rate subsidy and loan loss reserve components of this program. These funds will be used in conjunction with reduced rate first mortgage funds provided by area lenders for low-income buyers. The City anticipates that 10 low to moderate-income families will purchase units with Soft Second loans totaling approximately \$1,500,000.

State-Assisted Public Housing

The Commonwealth of Massachusetts assists 663 units of conventional public housing in Cambridge, with a total estimated operating subsidy of \$1,017,619. It also provides rental vouchers, including 28 Alternative Housing Vouchers for the disabled and 131 Massachusetts Rental Voucher Program certificates, the majority of which are project-based. The CHA has also received budget authority of approximately \$6 million from the Massachusetts Department of Housing and Community Development for six physical improvement projects at four developments, and one planning grant. This award will be used over several years.

State's Department of Public Health

The State's Department of Public Health provides Emergency Assistance payments for shelter services. As part of its role in administering the TANF (Temporary Assistance for Needy Families) program, the State's Department of Transitional Assistance (DTA) funds the cost of emergency shelter to income eligible and otherwise qualified homeless families. The DTA also contracts with shelters on a per-person per-day basis to provide reimbursement for shelter services furnished to individuals.

State Emergency Assistance

State Department of Transitional Assistance (DTA) funds the cost of emergency shelter to income eligible and otherwise qualified homeless families. DTA also provides reimbursement for shelter services furnished to individuals.

State HOME Allocations

The Massachusetts Department of Housing and Community Development (DHCD) allocates its HOME appropriation through competitive funding rounds. The City of Cambridge will support applications for State HOME funds submitted by Cambridge nonprofits in the coming year. State HOME funds will leverage federal, other state, city and private sources to make the projects feasible.

State Taxes

Tax revenues to fund substance abuse treatment services, including detoxification, halfway housing and outpatient services. The DPH also uses State resources to fund CASPAR Emergency Shelter Center.

LOCAL RESOURCES

Cambridge Affordable Housing Trust

The Cambridge Affordable Housing Trust was established in 1988 and has a mission of creating and preserving affordable housing opportunities for low- and moderate-income residents. The Trust is composed of a nine-member independent City board that includes experts in housing policy, real estate finance, development, planning and design. The Trust provides funding to assist non-profit housing organization and the Cambridge Housing Authority in creating and preserving affordable housing, to rehabilitate multi-family housing and to offers financial assistance to first-time homebuyers.

The Cambridge Affordable Housing Trust receives significant financial support through the Community Preservation Act (CPA). Adopted by the Cambridge City Council and Cambridge voters in 2001, the CPA is a financing tool for Massachusetts communities to leverage funds to preserve open space, protect historic sites, and expand the supply of affordable housing. Municipalities vote to place an additional surcharge on local property taxes for these three purposes. The state, in turn, matches the generated tax revenue providing an even greater incentive for municipalities to pass the CPA. In 2006 alone, the City Council appropriated \$9.6 million generated from the CPA to the Trust to support affordable housing development.

The Incentive Zoning Ordinance, adopted in 1988, generates funding for the Trust by requiring non-residential developers with large-scale projects to mitigate the impact of their development through a contribution to the Affordable Housing Trust. The current contribution is \$4.25 per square foot.

In late 1999, Harvard University launched the Harvard 20/20/2000 program, under which the University committed \$20 million of low-interest financing to support affordable housing development in Cambridge and Boston. The Cambridge Affordable Housing Trust one of the three housing intermediaries selected by Harvard to manage these funds.

In addition to these sources, donations by individuals (often anonymous) are also made to support the Trust's efforts to expand affordable housing in Cambridge.

Cambridge Fund for Housing the Homeless

This fund, comprised of private donations, is administered through the Cambridge Department of Human Service. It is used to prevent homelessness by funding security deposits, first or last month's rent, realtor's fees, and other placement-related expenses.

Cambridge Historic Commission

The Cambridge Historical Commission is a municipal agency concerned with the history of Cambridge and the preservation of significant older structures in the city. To aid in the preservation and rehabilitation of these older buildings, the Commission administers various federal, state, and local programs. Grant funds may be used to restore exterior features that contribute to the original appearance of the building. Such work includes the repair or restoration of original ornamental trim, porches, columns, railings, windows, and chimneys. The grant may also be used to restore original siding such as clapboards or shingles. It may also be applied toward structural repairs that are essential to the integrity of original features.

Cambridge Housing Assistance Program

The City of Cambridge partially funds the Cambridge Housing Assistance Program, a program that prevents homelessness through tenant and landlord counseling and mediation, and housing search services.

Cambridge Multi-Service Center

The Department of Human Service Programs operates the Multi-Service Center, which provides services to prevent homelessness and to serving residents who have become homeless. The state-funded Housing Assistance Program at the Multi-Service Center receives referrals from the Massachusetts Department of Transitional Assistance of families at high risk of losing their housing for a variety of reasons. Staff provide case management, negotiate with landlords, refer tenants to City-funded legal services as appropriate, provide emergency funds for rental arrearages and other tenancy-threatening emergencies and counsel clients about their rights, responsibilities and options.

Cambridge Neighborhood Apartment Housing Services (CNAHS)

Established in 1983 as a Subsidiary of Homeowner's Rehab Inc., CNAHS is a private nonprofit corporation that gives landlords an interest free loan of \$15,000 maximum per studio or one-bed room and \$20,000 maximum for units with 2 or more bedrooms. Funds are loaned to owners to rehabilitate their properties on the condition that the renovated apartments be maintained as affordable housing for at least 20 years. All former rent controlled properties are eligible for this program provided that at least 51% of the residents are of low-or moderate-income. Priority is given to properties with higher populations of lower-income residents and family-size units. Funds from CNAHS is used to make up the difference between conventional financing and project costs.

Expiring Use ~ Low-Income Housing Preservation Program

One of the Community Development Department's (CDD) housing strategies is to preserve units with expiring use restrictions. To this end, CDD provides technical assistance to owners and non-profit organizations; and works with tenants and other concerned parties to address the long-term concerns of housing developments at risk of losing their affordability. It also provides funds to a local non-profit, the Cambridge Economic Opportunity Committee (CEOC), who hires a Tenant Organizer to work directly with households living in buildings whose affordability restrictions are coming to term. For the five-year period ending 2010, the City will continue to work with tenants and owners of two expiring use properties and will continue to identify buildings at risk of being converted to market units, and work to preserve their long-term affordability.

Inclusionary Zoning Program

In March 1998, the Cambridge City Council passed an Inclusionary Zoning Ordinance that requires the developer of any new or converted residential development with ten (10) or more units to provide fifteen percent (15%) of the total number of units to the City as affordable units. The Community Development Department monitors compliance with this ordinance. Housing staff works with private developers to design and implement the marketing, and sale or leasing of units to low-income Cambridge residents. The City has secured 133 affordable units to date. Production in the Inclusionary Zoning program is subject to private developer activity throughout the City. In FY 2004, 18 homeownership units for 1 to 6 person households were marketed through this program.

Property Tax Revenues

Local real estate taxes levied on residential and business help to cover the costs of all the programs in the Plan either through project delivery costs or actual "bricks and mortar" costs. It also provides matching funds for the City's Community Preservation Act (CPA) award from the State.

PRIVATE RESOURCES

Families to Families Funds (FFF)

The FFF is a charitable fund, awarded by a small foundation to the City's Multi-Service Center for the Homeless, which uses the Fund to help pay family arrearages to prevent eviction or to help cover up-front moving costs to prevent/end individual or family homelessness.

Non-Profit & Owner Equity

The City's non-profit affordable housing developers include Just A Start, Homeowner's Rehab, Inc., Cambridge Housing Authority, CNAHS, and CASCAP Reality Inc.

Private Lenders

Cambridge local private lenders, provide acquisition, rehabilitation, and construction loans to Cambridge affordable housing projects.

FY 2006 Housing Loan Information

The Community Development offers loans only through its housing activities.

The City provides deferred loans to local non-profit housing developers using CDBG and HOME funds to develop affordable units. Loans for acquisition and rehabilitation are forgiven if the units remain affordable for periods ranging between 20 years to perpetuity. Deed Restrictions are placed on the affordable ownership units to ensure long-term affordability.

Deferred Development Loans issued in FY 2006: Four (4) loans for a total of \$2,253,575.

The City, through its housing non-profits, makes loans available to eligible homeowners for the purpose of rehabilitating their units as well as their tenants' units. These loans can either be deferred until the property is sold or transferred, at which time the loan is paid back in full. The majority of these loans are scheduled payback loans. The interest rate is between 0% to 3%. All principle and interest payments go into the Revolving Loan Fund, which is in-turn loaned back out for similar uses.

Deferred Hip Loans: 152 loans totaling \$1,876,650

Scheduled Payback HIP loans: 108 loans totaling \$2,508,111

CNAHS Revolving Loan Fund: 12 loans totaling \$59,922

Financial Information

IDIS Financial Reports:

- **HUD Grants and Program Income – C04PR 01**
- **Summary of Consolidated Plan Projects for Report Year 2005 – C04PR 06**
- **CDBG Financial Summary for Program Year 2005 – C04PR 26**
- **Status of CHDO Funds by Fiscal Year – C04PR 25**
- **Status of HOME Grants – C04PR 27**

General Questions

1. Assessment of the one-year goals and objectives:
 - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.
 - b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.
 - c. If applicable, explain why progress was not made towards meeting the goals and objectives.

See: The Executive Summary and each Division's Narrative

2. Describe the manner in which the recipient would change its program as a result of its experiences.

The City continually evaluates the effectiveness and efficiency of its programs, as well as the needs of its residents. Input is continually sought from residents, resident groups and partner non-profits to identify areas of need and opportunity, and therefore the City is always prepared to account for whatever circumstances arise. Technical Assistance is provided where the City feels improved performance is reasonably expected and program flexibility is maintained as conditions within the City change.

Any substantial changes, should they occur, in the CDBG, HOME and ESG programs are enacted with HUD mandated citizen participation outreach, as well as counseling from HUD staff and a thorough internal assessment and discussion of events and expectations. The City also seeks HUD approval before enacting any substantial changes to the Five-Year Consolidated Plan for FY2006-FY2010.

3. Affirmatively Furthering Fair Housing:
 - a. Provide a summary of impediments to fair housing choice.
 - b. Identify actions taken to overcome effects of impediments identified.

Affirmatively Furthering Fair Housing

Addressing Impediments to Fair Housing

The City of Cambridge will continue developing a new Fair Housing Plan in FY 2007. As part of its Fair Housing Plan in 1999, the City completed its Analysis of Impediments (AI) to Fair Housing Choice. HUD does not require an Analysis of Impediments study to be submitted annually for review. However, the City is required, as part of the Consolidated Plan Performance Evaluation Report (CAPERS), to provide HUD with a summary of the AI identified and the jurisdiction's accomplishments in addressing them for the current reporting year. Below are activities the City participated in this year to address impediments to fair housing.

The City strategically collaborates with private and non-profit developers and various funders to increase the supply of affordable rental and homeownership housing units for low- and moderate-income households. The City housing services are provided in a manner that reaches across cultures in the ethnically diverse City of Cambridge. This includes offering first time homebuyer classes and housing literature in several languages including Creole and Spanish. The City continues to implement programs it has created over the years to create new units and to utilize resources provided by the State of Massachusetts and the Federal government as it faces high development costs in a built-

out City. Several strategies to address impediments to fair housing in Cambridge are listed below.

Subsidize High Cost of Land and Real Estate Development

The high cost of land continues to make Cambridge a very challenging real estate market to create and preserve affordable housing. Consequently, the City has implemented programs to facilitate the development and preservation of affordable housing. The programs include Non-profit Sponsored Rental and Homeownership Development, the Inclusionary Housing Program, the Expiring Use Program, the Cambridge Neighborhood Apartment Housing Service (CNAHS) Multifamily Rehabilitation Program and the Home Improvement Program (*See Objectives 1-4 for additional details and accomplishments on these programs*). In addition, recent citywide rezoning initiatives continue to foster the development of new housing opportunities throughout the City.

Promote Zoning Favorable to Affordable Housing Development

The Cambridge Community Development Department (CDD) has worked for many years to promote the development of affordable housing through amendments or additions to its zoning code. While the City made some minor changes to its Zoning Ordinance in FY 2005 which were favorable to the development of new affordable housing, the most significant recent changes made to support the creation of new affordable housing are the Inclusionary Zoning Ordinance, the Incentive Zoning Ordinance, and the City-wide Rezoning Initiative.

- *Inclusionary Zoning Ordinance*

In 1998 the City adopted an Inclusionary Zoning Ordinance that requires developers of any new or converted residential development with 10 or more units to provide 15 percent of the total number of units as affordable housing. In return, the developer receives up to a 30 percent increase in density. CDD monitors compliance with this ordinance. CDD staff work with the private developers to design and implement the marketing and sale or leasing of units to low and moderate-income Cambridge residents. In FY 2006, 150 units were secured through deed restrictions ensuring their permanent affordability. To date, 376 units have been created through the Inclusionary Housing Program. Discussions to secure additional inclusionary units over the next few years are underway with developers.

- *Incentive Zoning Ordinance*

The Cambridge Incentive Zoning Ordinance was adopted in 1988. It requires that non-residential developers with projects over 30,000 square feet that require a Special Permit to authorize an increase in the permissible density or intensity of a particular use, mitigate the impact of their development through a contribution to the Affordable Housing Trust. These funds are used to sponsor the development of affordable rental and homeownership units. The current contribution is \$4.25 per square foot. There

are several developments underway which will be required to make Incentive Zoning contributions prior to completion in the coming years

- *Citywide Rezoning Initiative*

The Cambridge City Council passed a citywide rezoning initiative in 2001 to increase the City's housing stock by allowing housing in all districts, by rezoning numerous districts for housing, by facilitating the conversion of industrial buildings by streamlining the permitting process, and by reducing the commercial floor area ratios (FARs), thereby increasing a developer's incentive to build housing.

Each of these have resulted in new opportunities for local affordable housing developers and produced more affordable units through the Inclusionary Zoning Ordinance. It is estimated that there are more than 3,000 new units under development around the City.

Buffering the Effects of the Ongoing Shortage of Affordable Housing

In 1995, Massachusetts eliminated rent control through a statewide ballot initiative. The greater Boston area has also seen increasing acquisition and construction costs in addition to low vacancy rates. Consequently, Cambridge has experienced a dramatic increase in the cost of housing. Currently, a household needs to earn \$192,786 per year to afford the median-priced single-family home or \$116,271 per year to afford the median-priced condo. To rent a market-rate two-bedroom unit, a household must have an annual income of \$76,000.

Since 1995, Cambridge has made significant contributions to increasing affordable housing through the Cambridge Affordable Housing Trust. The Trust provides funding for housing development, preservation, and improvement. Cambridge is one of the few municipalities nationwide that spends significant local funds on affordable housing efforts. To date, the Trust has received over \$50 million in Trust funds to finance the development of new units, including \$9.6 million in FY 2006.

Leveraging Available Public & Private Funds

The Community Preservation Act (CPA) is a financing tool for communities to leverage funds to preserve open space, historic sites, and affordable housing which was adopted by the Cambridge City Council and Cambridge voters in 2001. The CPA places an additional 3 percent surcharge on local property taxes to be used for the open space, historical preservation and affordable housing. The state, in turn, matches the generated tax revenue providing an even greater incentive for municipalities to pass the CPA. Cambridge voters passed the CPA providing a significant source of funds for affordable housing. These funds also have helped to leverage other funds for housing programs.

High acquisition and construction costs, low vacancy rates, and a strong economic sector have had a tremendous impact on the cost of housing in the Cambridge market.

Continued escalation of the cost of housing has resulted in fewer units created with federal, state, and local dollars. In FY 2006, the CPA committee appointed by the City Manager, held its annual public hearing on needs and priorities of residents.

Affordable housing was overwhelmingly the key issue and the committee voted to appropriate for affordable housing (80% of available funds), open space (10%), and historic preservation (10%). A total of \$9.6 million was appropriated to the Cambridge Affordable Housing Trust for housing development in FY 2006.

Addressing Competing Concerns of Neighborhood Residents

There are competing demands among residents in Cambridge. Several of the primary conflicts exist between the desire for more housing but limited tolerance for increased housing density and the corresponding impacts on parking, traffic, and open space. The City has considered several strategies to address and remove existing barriers. The strategies include: public education; using prior successful affordable housing developments as examples of good development with minimal impact on the neighborhood; and intensive work with neighborhood residents to identify and address concerns to develop support for proposed projects and to offset potential opposition. However, with Cambridge being a densely populated City, the difficult issue of competing uses for any remaining undeveloped land will likely continue to be a challenge.

Strategies for Affirmatively Furthering Fair Housing

The following section addresses the City's efforts to further fair housing for all Cambridge residents.

Fair Housing Committee and Homeless Steering Committee: The City established committees and programs to address fair housing needs, including a Fair Housing Committee and Homeless Steering Committee that are active in initiating educational and outreach programs to further fair housing. Housing division staff serve as active members on these committees.

With the Federal Government's dissolution of the Community Housing Resources Board Program (CCHRB), the City of Cambridge established a Fair Housing Committee in 1994 to continue some of the CCHRB activities as well as initiate new educational and outreach programs to further Fair Housing in Cambridge. The Fair Housing Committee is composed of over thirty representatives of housing users and providers, minority and disabled agencies, and other appropriate groups. It is chaired by the Executive Director of the Cambridge Human Rights Commission.

City's Human Rights Commission: The Commission investigates allegations of discrimination and continues its commitment to ensure compliance with Title VIII of the Civil Rights Law of 1968 and the 1988 Amendments that expanded the existing legislation to prohibit housing discrimination against disabled individuals and families.

The City's Human Rights Commission receives HUD funds and City funds, for mediation, public hearings, and awarding of damages for cases under fair housing laws.

Public Education and Community Outreach: The Community Development Department hosted and attended community meetings and housing events throughout the City to inform residents of services, projects and programs active in the City. Many of the events are held annually. Some of the outreach events include National Night Out, Danehy Park Family Day, Hoops and Health, and the Cambridge River Fest. Housing staff use outreach opportunities to disseminate information on City's housing services and speak with residents about available resources. The City also hosts public meetings to engage the community and identify current needs through the Consolidated Plan preparation process, and the annual Community Preservation Act appropriation process. The following are descriptions of several community outreach efforts by the City.

Referral Services ~ The Community Development Department provides referral services to Cambridge residents directing them to organizations in the City which can assist with various housing and social service issues, as well as individual counseling on housing and homebuyer issues. In FY2006, Housing staff responded to over 7,562 inquiries concerning housing services and entered 726 new households in the housing database. Households are notified when affordable rental and homeownership units are available. The housing staff also continued to distribute a housing brochure in English as well as Creole and Spanish. The brochure describes the housing services and programs available in the City of Cambridge and includes contact information for accessing the housing services.

Loan Program Sessions ~ Housing Staff attend loan program sessions held by local banks to introduce new products available for assisting low and moderate income households. Program information is then shared with the City's First Time Homebuyer participants through the first time homebuyer classes and individual counseling.

Application Help Sessions ~ When affordable housing units are being made available by the City, Housing Staff conduct informational sessions to help potential applicants understand the eligibility guidelines, the application process, and the affordability requirements of each unit. These sessions are conducted for both rental or homeownership units marketed by the Housing Division.

Cambridge Fair Housing Month Conference ~ April is Fair Housing Month in Cambridge. The City annually hosts the Cambridge Fair Housing Forum. This program is presented by the Cambridge Human Rights Commission/Fair Housing Committee, the Commission for Persons with Disabilities, Lead Safe Cambridge, the Cambridge Community Development Department and the Cambridge Multi-Service Center. The objective of the conference is to highlight Cambridge's Affordable and Fair Housing Initiatives, address current and anticipated housing issues, and communicate strategies to prevent discriminatory and unfair housing practices. It provides a forum to dialog with representatives of Cambridge's Housing Advocates, City Departments and Fair Housing

Agencies. The Cambridge Human Rights Commission also hosted a Fair Housing Month Celebration.

Creation of Proactive Zoning Policies: In 2001, the City Council passed a citywide rezoning initiative. The new zoning made housing an allowable use in all districts, rezoned numerous districts to housing, facilitated the conversion of industrial buildings by streamlining the permitting process, and reduced commercial floor area ratios (FARs), thereby increasing a developer's incentive to build housing. Each initiative fosters new opportunities for local affordable housing developers. Another change came with the adoption of the Inclusionary Zoning Ordinance, which requires developers of any new or converted residential development with ten or more units or more than 10,000 square feet to make 15 percent of the units affordable to households earning no more than 80 percent of the area median income.

Tenant and Landlord Support and Mediation Services: The Community Development Department supports programs and services administered by local agencies to further fair housing. With funding from the City, Just-A-Start Corporation administers a tenant and landlord Mediation Services Program, which provides a resource both for tenants and landlords and in FY06 served more than 420 clients.

City of Cambridge Multi-Service Center: This center provides housing search services, referrals to shelters, and limited emergency funds.

Cambridge and Somerville Legal Services (CASLS): CASLS provides free legal services for low-income residents.

Tenant Organizing for Expiring Use Buildings: With support from the City, the Cambridge Economic Opportunity Corporation (CEOC) employs a full-time Tenant Organizer whose responsibility it is to organize and mobilize tenants at risk of being displaced from federally-assisted buildings when its affordability restriction expire.

CEOC Lead Neighborhood Work-groups: Funded and supported by the City, the Cambridge Economic Opportunity Council (CEOC), coordinates participant-driven workgroups that address housing issues. These workgroups include the Cambridge Expiring Use Tenant Committee, the Public Housing Tenant Work-Group, LBJ Association, Fresh Pond Tenant Association, and Haitians in Action at CEOC. CEOC's staff provide support to tenant associations and work with groups in a range of ways including tracking state and federal legislation which may affect the management, rents, and leases at properties where they reside; the production of informational flyers; translation services; assistance in agenda preparation; and meeting facilitation.

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

OTHER ACTIONS

In the Five-Year Consolidated Plan written in 2005 as well as in preparing the FY2007 Action Plan, the City identified impediments to developing affordable housing for the City's low-income residents and continues to address those needs in various ways (see the discussion on Affirmatively Marketing Fair Housing). In addition, the City has identified other key strategies to the successfully delivery of affordable housing programs and services. These strategies include continued collaboration among key federal, state and local agencies, which has helped to improve public housing policies, resident initiatives, and ensure the availability of de-leaded units.

Institutional Structure & Enhanced Coordination

In FY 2006, the City continued to collaborate with and further develop its relationships with federal, state and local agencies, policy makers, funders, tenant groups, and service providers through formal and informal networks

Federal

Cambridge continues to work with the U.S. Department of Housing and Urban Development (HUD) on policy, program, monitoring, and funding.

Cambridge non-profits and CHDOs created affordable housing and provided services through contracts funded with CDBG and HOME. Federal funds also support the administration of the Rehab Assistance and Home Improvement Programs administered by Just-A-Start Corporation, and the CNAHS and HIP programs administered by Homeowners' Rehab. The City's nonprofits are invited to contribute to the development of the City's policies and programs to serve housing needs of low- and moderate-income households. Federal funding is a critical component to the ongoing health and stability of these agencies.

State

The City has a strong working relationship with the Massachusetts Department of Housing and Community Development (DHCD) and other state agencies that provide support to the City's affordable housing initiatives. While availability of state funds for the creation of new affordable units has become more difficult to rely on in recent years, local non-profits successfully secured funds in very competitive funding competitions from DHCD and other state funders in FY 2006.

Homeowner's Rehab, Inc. secured Housing Stabilization Funds from DHCD for the acquisition and moderate rehab of six affordable rental units in the Riverside

neighborhood. Just-A-Start applied for and received state Affordable Housing Trust funds for 14 affordable homeownership units currently under construction in North Cambridge. Fourteen single-room occupancy units are being developed on Concord Avenue in Neighborhood 9 by Shelter, Inc., which secured both Housing Stabilization Funds and Housing Innovations Funds from DHCD. Housing Stabilization Funds were also obtained by CASCAP, Inc. for 9 affordable homeownership units at a former VFW building in North Cambridge. The Cambridge Housing Authority received an additional allocation of Low Income Housing Tax Credits for the acquisition and rehab of a Lancaster Street building in Porter Square to create 65 affordable rental units.

Local

Cambridge has a number of Non-Profit Housing Organizations that collaborate to provide an effective delivery system for affordable housing production and social services. The City provides over \$1 million in annual contracts with non-profit housing agencies for the operation of housing programs and the development of affordable rental and homeownership units.

The Cambridge Housing Authority (CHA) is one of the highest performing authorities in the country. The CHA works collaboratively with local non-profit housing developers to use project-based Section 8 certificates to help finance new affordable rental developments, significantly increasing the financial feasibility of these projects. They assist in making Inclusionary Housing Program units available to very low-income households with Section 8 Certificates and in supporting the City's housing initiatives by attending and participating in public outreach events. HUD Entitlement Funds and Cambridge Affordable Housing Trust Funds have enabled the City to support the CHA's efforts to develop more affordable housing.

The Cambridge Multi-Service Center offers a wide range of services including homelessness prevention, emergency shelters, transitional housing, and emergency funds. Both the Community Development Department and Human Service Department communicate and collaborate regularly to serve as wide a range of persons as possible throughout the City.

The Cambridge Affordable Housing Development Working Group has met regularly since 1995, the year rental control was terminated in Massachusetts, to coordinate affordable housing development efforts and to share ideas, expertise and progress in the housing development process. This group is made up of staff from the Community Development Department's Housing Division, the Cambridge Housing Authority, Just-A-Start Corporation, Homeowner's Rehab, Inc. and CASCAP, Inc.

The Cambridge Affordable Housing Trust is a nine-member independent City board comprised of experts in the fields of affordable housing, real estate finance, development, and housing policy and planning. The Trust serves as both a policy advisory board and a loan committee for new development projects. In FY 2006, the City Council appropriated \$9.6 million in City funds from the Community Preservation Act to the Trust to support

affordable housing development. The Trust meets monthly and considers funding requests from housing developers proposing projects which preserve or create affordable housing in the City.

The Cambridge Fair Housing Committee and the Homeless Steering Committee are active in initiating educational and outreach programs to further fair housing. The Community Development Department monitors progress on implementing measures to combat impediments to fair housing, and will continue work on an updated Fair Housing Plan in FY 2007. The Fair Housing Plan will consist of an analysis of impediments to fair housing, an action plan to address impediments that were identified, and a plan for maintaining records and fulfilling report requirements. Cambridge completed its last Fair Housing Plan in 1999, in collaboration with various City departments including the Human Rights Commission; the Cambridge Commission for Persons with Disabilities; the City Assessor's Office; the City's Affirmative Action Office; the Department of Human Services Programs and the Cambridge Housing Authority. Non-profit groups such as Homeowner's Rehab, Inc., Just-A-Start Corporation, CASCAP Realty Inc., and CASPAR also contributed.

The City maintains strong working relationships with neighborhood groups and housing advocates that support affordable housing development in the City. Local support for housing has been one of the central factors contributing to the success of housing developers and service providers.

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

Program Year 1 CAPER Managing the Process response:

Lead Agency

The City's Community Development Department (CDD) has been designated the lead agency responsible for the development of the Consolidated Plan and oversight of all aspects of the process. CDD has the responsibility of ensuring that the goals of the City Manager and the City Council are met through the various program and projects in the Consolidated Plan. The CDD is also responsible for the administration of the Community Development Block Grant and the HOME funds. CDD works closely with the Department of Human Services, which manages 15% of the CDBG funds and 100% of the Emergency Shelter Grant. A major portion of the CDBG and HOME funds are awarded to two nonprofits, Just A Start and Homeowners' Rehab. Inc. The nonprofits partner with CDD in the development of Affordable Housing units and the stabilization of neighborhoods through housing rehabilitation.

Significant Aspects of Developing the Plan

Development of the Plan involved working closely throughout the year with the Department of Human Services. CDD developed the Plan within the guidelines established by the City Council's goals and the City's annual budget process. CDD, Human Services, City Manager and the City Council worked all year long establishing goals and priorities for the city by collaborating with residents, various neighborhood groups and business leaders.

Consultations

Working within the goals set by the City Council and the City Manager, CDD worked closely with neighborhood groups and residents developing goals, initiatives and strategies that are pertinent to each neighborhood. (See neighborhood studies). The Department of Human Services establishes their goals by consulting the public services providers who have direct contact with the clientele being served.

Collaboration & Outreach

The Community Development Department has worked closely with the Department of Human Services in the development of the One-Year Action Plan and the Consolidated Plan. Collaboration also included consultation with the City Manager's Office, the Cambridge Housing Authority, the Cambridge Historical Commission, the Cambridge Commission for Persons with Disabilities, the Cambridge Human Rights Commission, the Human Service Commission, the Cambridge Public Health Commission, Cambridge and Somerville Cooperative Apartment Program, Just A Start Corporation, Homeowner's Rehab, Inc., AIDS Housing Corporation and homeless and special needs providers.

Citizen Participation

1. Provide a summary of citizen comments.
2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Program Year 1 CAPER Citizen Participation response:

Citizen Participation Plan

The City of Cambridge has a thorough and extensive community process that is employed for all projects. The City consistently seeks to include the input of Cambridge residents in all phases and aspects of its Community Development initiatives, from the initial planning, to project and program implementation to the reporting and assessment of accomplishments. The effectiveness of this process is key in delivering the proper services and programs to the City's residents, while ensuring that the overall direction of the Community Development Department's work is consistent with residents' expectations and is responsive to neighborhood concerns. A more detailed assessment of this processes elements is as follows:

Participation

The City encourages citizen participation in all stages of the planning process. From the drafting of the Consolidated Plan to the filing of the annual Performance Evaluation Report the City hosts Public Meetings, provides draft copies of the Plan before submission, accepts and incorporates citizen input and feedback, and holds special hearings whenever any substantial amendments are made.

The City also works with key non-profit organizations in encouraging the participation of the citizens they work directly with, including many of the low and moderate-income residents who are the primary targets of our HUD funded programs. Bi-lingual services are available for those who request them.

Additionally, the City works very closely with Cambridge's well-organized neighborhood groups in matters that have a particular interest and/or impact on a particular area or neighborhood. This relationship ensures maximum availability of City staff to the residents and ensures transparency of City policies and initiatives.

Public Meetings

The core of Cambridge's Citizen Participation Plan is the Public Meeting. The Community Development Department hosts a Public Meeting during each phase of the funding cycle, one in preparation for the Consolidated Plan and its annual update through the One-Year Action Plan, and one in conjunction with the City's preparation of the Consolidated Annual Performance Evaluation Report. These meetings give the residents an opportunity to comment on all aspects of the CDBG program's administration, as well as all substantial activities undertaken by the City. A Public Meeting is also held when any substantial amendments are made to the Consolidated Plan.

Public Meetings also play a central role in the work that is performed by the Housing, Community Planning and Economic Development Divisions. From the rehabilitation of parks, playgrounds and open spaces to the acquisition and creation of affordable housing, the City involves the residents during each substantial phase of the project.

Meetings are well publicized and are held at centrally located facilities that are safe and fully accessible. The locations are also accessible by public transportation and are held on mutually convenient days and times.

Public Meetings for CDBG, HOME & ESG Funding

For all Public Meetings concerning CDBG, HOME & ESG federal funding, the City runs two advertisements in two local newspapers, the Cambridge Chronicle and the Cambridge edition of TAB. These advertisements run two weeks prior to the meeting. The City's website also gives advance notice of all Public Meetings two weeks prior to the meetings' occurrence. Additional attempts are also made to include core beneficiaries of City programs and services and those residents who might be more acutely affected by the Meeting's topic and purpose.

Access to Information

The City has all Consolidated Plan, Annual Action Plan and Consolidated Annual Reports available on its website in a manner convenient for on-line viewing, downloading and printing. Draft versions of all Plans are made available before they are submitted for citizens, public agencies and other interested parties to view and comment upon. Copies of final and draft Reports are available for no fee at the City's planning office. Additionally, information that applies to these reports and the City's work in general is available. Requests for access to specific information must be made in advance and coordinated with City personnel.

The City's staff also makes themselves available to persons or interested parties who require technical assistance in understanding the Plan, the preparation of comments and the preparation for requests of funding. This availability and responsiveness is also

employed in handling and responding to whatever reasonable complaints are made concerning the Plan and its undertakings.

Anti-displacement

The City makes all efforts to avoid the displacement of any residents and has succeeded in that goal. If such an instance should occur in the future the City would utilize their existing housing capacity and infrastructure in conjunction with the key non-profit housing organizations to solve any extant issue immediately. The City successfully conducts temporary relocation in certain cases and therefore has a method in place and experience in similar activities.

Substantial Amendments

Should any substantial change to the stated Objectives of the Consolidated Plan become imminent, the City will involve the residents through its above described methods and practices. Such substantial changes would be understood as being new activities the City would undertake within a reporting cycle and does not include expected and actual changes to Goals as they relate to external factors and unexpected changes in available resources.

Citizen Comments on the FY2006 CAPER

The City made a draft version of the FY2006 CAPER available to the public for review and comment on September 8th, 2006. The draft version of the FY2006 CAPER was made available at the City's planning office, the main branch of the Cambridge Public Library and on-line at the City's Community Development Department website. The availability of the draft version of the FY2006 CAPER was announced in the Cambridge Chronicle and the Cambridge TAB on September 7th and September 8th respectively. The City accepted comments from September 8th to September 23rd. **No Citizen Comments were received on the draft version of the FY2006 CAPER.**

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

Program Year 1 CAPER Institutional Structure response:

Institutional Structure In Cambridge

The housing delivery structure in Cambridge is complex, involving public, private and nonprofit participants at the local, state, and federal levels.

Public Institutions

The public portion of the housing delivery system in Cambridge involves both state and local government. The Massachusetts Department of Housing and Community Development (DHCD) manages a number of housing programs, including the state HOME program, the Housing Stabilization Fund, State Affordable Housing Trust, the Soft Second Program, the Housing Innovations Fund, and the administration of the federal Low-income Tax Credit program. DHCD also manages programs that support the development, maintenance, and operations of public housing.

The Massachusetts Housing Finance Agency (MHFA) provides loans to first-time homebuyers and has been an important source of housing assistance to low and moderate-income homebuyers in Cambridge. Due to the high cost of real estate in the City and the strength of market demand, however, even this program has often required additional subsidies to make prices affordable to low and moderate-income buyers.

Two other state-chartered nonprofit agencies, the Community Economic Development Assistance Corporation (CEDAC) and the Massachusetts Housing Partnership Fund (MHP), are important to the delivery service of affordable housing in Cambridge. CEDAC provides resources and technical assistance to community-based nonprofit housing agencies for the development of affordable housing, and has been an important resource for Cambridge's nonprofit housing organizations. MHP is a public agency that provides technical assistance and financing for the development of affordable housing. MHP's Permanent Rental Financing Program provides long-term, fixed-rate financing for multifamily and single room occupancy rental properties of five units or more. Units financed through the program must be rented to income eligible residents at affordable rent levels.

At the local level, the public institutions involved in the housing delivery system are the Cambridge Housing Authority and the City of Cambridge. The Cambridge Housing Authority (CHA) is a stable and efficient public housing authority, with a national reputation for excellence in its management and services for public housing tenants. By statute, it has the right of eminent domain and the ability to bond. The CHA operates a full range of federal and state housing programs, conventional and leased, for low-income elderly and disabled families and individuals. In addition to basic programs such as family and elderly public housing and Section 8 existing certificates and vouchers, the

CHA administers a variety of special and innovative housing initiatives. These include a tenant homeownership program, several elderly congregate units linked with state service funding, several special needs residences owned by the CHA and managed by local service providers, a single room occupancy program and a tenant services program that has won national awards and recognition for effectiveness in working with youth, children and adults.

The CHA's conventional and special needs programs house approximately 2,700 households made up of 5,400 persons. Another 2,100 households with 4,800 persons live in leased housing units. CHA-owned units plus leased housing certificates make up approximately 10% of the City's total rental stock. The preservation and modernization of public housing are key elements of Cambridge's affordability strategy.

Despite the strengths of the Cambridge Housing Authority, diminishing HUD and State funding threaten to undermine the progress that has been made in serving the housing needs of low and moderate income households currently living in Cambridge. If federal responsibility for these programs is abrogated, or if programs are eliminated or funded at unworkably low levels, no amount of local commitment can avoid widespread hardship and a certain degree of actual suffering.

The City of Cambridge is involved in the housing delivery system through its Community Development Department, its Department of Human Service Programs, and the Cambridge Affordable Housing Trust. Nearly 60% of the City's Community Development Block Grant (CDBG) allocation is spent on housing, administered through the Community Development Department (CDD). Along with supplying administrative support and program funds to the local nonprofit housing development agencies, CDD also provides multi-family rehabilitation funds, first-time homebuyer assistance, development funds and technical assistance for substantial rehabilitation and new construction for the benefit of extremely low, low and moderate-income households through the HOME program.

CDD acts as staff to the Cambridge Affordable Housing Trust, which was established in 1988 by the City Council and approved through the State of Massachusetts' Home Rule Petition in 1989 to develop and sustain affordable housing. The City Manager is the managing trustee for a nine-member board made up of community members who are experts in the fields of real-estate financing and development, affordable housing policy and design, and banking. The Affordable Housing Trust plays an important role in leveraging other financing for affordable housing projects. Since 1995, Cambridge has made significant contributions to increasing affordable housing through its CITYHOME program which to date has received over \$42.35 million in City funds. The Trust lends these funds to local nonprofit housing development organizations to develop affordable housing. An additional \$8.4 million has been requested for FY2006.

The City's Department of Human Service Programs (DHSP) manages a number of programs. These include the Cambridge Multi-service Center for the Homeless, which works with an average of 700 homeless individuals and families annually, helping them

to secure housing and gain access to other support services. DHSP helps coordinate shelter providers and groups seeking to develop supportive housing for the homeless, as well as providing financial assistance to shelters for services, operating and capital expenses through the McKinney Funds, Emergency Shelter Grant and CDBG funds.

Nonprofit Organizations

A key role in the Cambridge housing delivery system is played by the local nonprofit housing development agencies. Cambridge is fortunate to have several stable and experienced agencies, which have been integrally involved in the delivery of housing for many years. Cambridge and Somerville Cooperative Apartment Program (CASCAP) concentrates on the delivery of housing to single individual households as well as the mentally disabled population. CASCAP has strengths in both the rehabilitation and development of properties and in the management of group homes and single room occupancy dwellings with a social service component. Three other agencies, Just A Start Corporation (JAS), Homeowner's Rehab, Inc. (HRI), and the Cambridge Neighborhood Apartment Housing Services (CNAHS), have extensive experience in all levels of rehabilitation, new construction and also in the management of multi-family properties. Another nonprofit, the Cambridge Affordable Housing Corporation (CAHC), which is the non-profit subsidiary of the CHA, augment's the Authority's effort to provide affordable housing.

Nonprofit agencies also play a major role in the provision of shelter to the homeless population. These include CASPAR, Shelter, Inc., Hildebrand Family Self-Help Center, First Church Shelter, Shelter Inc., Harvard Square Shelter, the YWCA, the Salvation Army, Cambridge/Somerville Catholic Charities, and Transition House. There are also organizations providing transitional housing for people moving out of shelters, such as the YWCA, the YMCA, Cambridge Family and Children's Service, and Second Home's Cornerstone Community. In addition, the local community action program agency, Cambridge Economic Opportunity Committee (CEOC), provides tenant advocacy services to assist in the prevention of homelessness. Another local nonprofit, the Cambridge Dispute Resolution Center, provides mediation services, and landlord counseling is provided by Just A Start Corporation.

A coalition of Cambridge-based religious organizations and concerned citizens, the Laity and Clergy for Affordable Housing, was developed recently to help promote and create affordable housing for low and moderate-income Cambridge households. The group operates under the nonprofit umbrella of Interfaith Action, Inc., and combines an innovative housing development approach with an emphasis on volunteerism.

Cambridge churches are also involved in the provision of shelter and services to homeless persons, such as meals and furniture for new residences. Three local churches provide shelter and one provides transitional housing for homeless people and is actively considering the potential for developing housing on church-owned land.

Private Organizations

The housing delivery system in Cambridge also involves several private entities, including lenders, developers, and private educational institutions. Local Cambridge banks have been significantly involved in the financing of affordable housing in Cambridge. A consortium of banks has created a fund earmarked for loans to small property owners of multi-family properties. One of these banks is a member of the Federal Home Loan Bank Board and has successfully submitted applications for funding for Cambridge affordable housing projects. In addition, several area lenders participate in the "Soft Second" loan program by offering reduced rate first mortgage funds for first-time buyers through the City's Cambridge Homebuyer Initiative program (CHBI).

Harvard University, one of the City's largest property owners of multi-family rental properties, has played a role in the delivery system for affordable housing. In 1997, Harvard sold 100 rental units in nine buildings to the City in exchange for tax relief. Also, as part of the settlement of a lawsuit, Harvard has established a revolving loan fund of low-interest financing for rehabilitation of the multi-family properties.

In the fall of 1999, Harvard University announced the 20/20/2000 Initiative, which provides \$10 million to the City for affordable housing development over the next three years. Of these funds, \$6 million have been loaned to the Affordable Housing Trust and \$4 million is being channeled through two non-profit groups to fund affordable housing projects in Cambridge. The Trust issues low-interest loans for construction and permanent financing for the development of affordable housing units as well as low-interest loans for homebuyers earning up to 120% of the area median income.

Local developers have been involved in the affordable housing delivery system through the Incentive Zoning Ordinance, which requires payments by developers to the Affordable Housing Trust for commercial development over 30,000 square feet requiring special permits. In March 1998, the Cambridge City Council passed an Inclusionary Zoning ordinance that requires any new or converted residential development with ten or more units to provide 15% of the total number of units as affordable units. In return, the developer receives up to a 30% increase in density. CDD monitors compliance with this ordinance. Staff works with the private developers to design and implement the marketing and sale or leasing of units to low-income Cambridge residents.

Actions to Further Develop Institutional Structure

Cambridge will continue its efforts in the coming years to further develop the City's institutional structure to support its ongoing commitment to affordable housing, community services and a healthy economic base. The following actions will be taken in FY2006 - 2011:

As property prices continue to escalate in Cambridge, the gap is widening between available resources and outstanding need. There is an increased need for federal funds for housing activities of all types including affordable rental, homeownership, and housing for special needs populations.

Cambridge will work to reduce the resource gap by aggressively seeking out additional federal, state, and private resources to support its affordable housing priorities. The City will work to eliminate any regulatory gaps by working with federal and other agencies to identify problems and, where appropriate, to seek refinements or waivers of regulations that impedes efficient affordable housing production.

Cambridge will continue its outreach to residents, businesses, and organizations through community meetings and various public forums during the production of its Annual One Year Action Plans.

Monitoring

1. Describe how and the frequency with which you monitored your activities.
2. Describe the results of your monitoring including any improvements.
3. Self Evaluation
 - a. Describe the effect programs have in solving neighborhood and community problems.
 - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
 - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
 - d. Indicate any activities falling behind schedule.
 - e. Describe how activities and strategies made an impact on identified needs.
 - f. Identify indicators that would best describe the results.
 - g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
 - h. Identify whether major goals are on target and discuss reasons for those that are not on target.
 - i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Program Year 1 CAPER Monitoring response:

See also: Each Division's Narrative

Housing

The City's Community Development Department (CDD) uses HUD funds to support the following goals:

- **Create New Affordable Rental Units;**
- **Create Affordable Homeownership Units;**
- **Preserve Affordable Existing Affordable Housing; and**
- **Stabilize and Renovate Owner-Occupied Units.**

To monitor the programs that support reaching these goals, CDD performs assessments throughout the life of all projects and programs. Every year, CDD reviews on an ongoing basis applications for specific project funding, reviewing all available funds against the needs of projects in the pipeline. Projects are considered using the following criteria: their financial feasibility, the creation of preservation of long-term affordability; emphasis on the creation of housing for families; creation of both rental and homeownership housing to serve a mix of incomes; design quality and use of energy-efficient materials; and the use of City funds to leverage other public and private financing. Projects are also reviewed for their ability to comply with the funding requirements for all funding sources.

In addition to the review of future projects, CDD staff also provides technical assistance and monitors the progress of projects under construction. This involves the monthly review of all project expenses by examining bills and supporting documentation for monthly program expenditures, including administrative and construction costs. CDD staff also monitor all sites under construction and regularly meets the construction managers of each project.

Quarterly, each program reports on their annual performance goals, which are required by the City as well as the CDBG and HOME programs. This reporting enables CDD to have a consistent understanding of the performance and product of each program.

Consolidated budget statements are also reviewed at this time.

Annually, the City conducts regular ongoing site visits as well as tenant file monitoring of all affordable housing developments to ensure compliance with program goals and federal regulations. Site visits include property inspections, which are part of our service delivery system and are conducted as prescribed by HUD (see chart below). Each year the Housing Division conducts property inspections on approximately 10% to 15% of the units in its affordable housing stock. This year, 1009 affordable units were monitored.

Property Inspection Schedule:

- Every 3 years for projects with 1-4 units
- Every 2 years for projects with 5-25 units
- Annually for projects with 26 or more units

Economic Development

The policy of the Economic Development Division is to monitor all sub-recipient performances against performance measures and standards, including compliance with all HUD regulations, and in accordance with the fully executed Agreements between the two parties. The program assessments look at the sub-recipients' progress in meeting objectives, meeting set goals, its reporting compliance with regard to timeliness and accuracy and whether required documentation is on file, all requirements set forth in the sub-recipient agreement between the City and the sub-recipient.

Monitoring Schedules:

In FY 2006, the Economic Development Division received a monitoring visit from the City's HUD Community Planning and Development Representative. In preparation for that visit, during the months of January and February the Economic Development Division staff did an extensive review of all sub-recipient files, to assure that they were complete and in compliance with HUD regulations, prepared program monitoring overviews containing all pertinent information related to performance requirements and performance measurements, and performed on-site monitoring of the activities of all the sub-recipients under contract with the city in FY 2006, using the CDBG form, "Checklist for On-Site Monitoring of a Subrecipient". In addition, Fiscal staff completed on-site visits to all sub-recipients and reviewed financial records including copies of staff time sheets and a financial report of expenditures per Block Grant funded program for compliance. All sub-recipients were found to be in compliance with their Agreement terms and HUD regulations. There were no findings.

In FY 2006, on a monthly basis, EDD staff reviewed all sub-recipients' personnel and non-personnel operating expenses by examining invoices and supporting documentation

for monthly program expenditures, outreach and general and administrative expenditures, as well as program income, if any, and approved same.

In addition, all the sub-recipients received performance assessments in accordance with their individual Agreements and annual schedules:

Cambridge Bio-Medical Careers Program: The Program was evaluated by the sub-recipient quarterly and the results reported to the city in the Quarterly Report Form, as required in the Agreement. EDD staff reviewed all reports and found the sub-recipient met all required performance standards and measurements.

Cambridge Healthcare Career Advancement Program: The Program was evaluated by the sub-recipient semi-annually, after each school semester, and the results reported to the city in accordance with the Performance Measurements report, as required in the Agreement. EDD staff reviewed both reports and found the sub-recipient met all required performance standards and measurements.

Best Retail Practices Program: The City actively participates with the sub-recipient in the distribution of services provided to the clients of this Program. In FY 2006, EDD staff advertised and marketed the Program to eligible Cambridge businesses, participated in the workshop presentation as an outreach activity, reviewed, accepted and keep on file the original applications (family income certification forms), set up and accompanied the consultant on the individual consultations and monitored the number of clients to whom the sub-recipient consultant provides services.

EDD staff monitored the receipt of, reviewed and distributed requisite post-consultation written reports from the consultants to the clients, making sure that they are received and distributed in accordance with a pre-set schedule outlined in the contract. EDD staff also worked with the sub-recipient, reviewing and then implementing consultant recommendations for client improvements under the Grant Program. The sub-recipient met all performance standards and measurements required for FY 2006.

Center for Women & Enterprise: In addition to ongoing performance monitoring, EDD met with the City's service provider, Center for Women & Enterprise (CWE), several times during FY 2006 for overall program evaluations. The first meeting took place in March 2006 and subsequent meetings took place during May-June 2006.

The first overall program evaluation concluded that CWE performed well in delivering programs and serving clients but fell below expectations in collecting client eligibility information and preparing program reports. To help CWE better meet expectations, EDD provided them technical assistance, including reviewing client eligibility criteria, devising a new process for registering clients, and providing examples of acceptable program reports. CWE adopted necessary improvements for workshops conducted after this evaluation.

During subsequent program evaluations, EDD and CWE decided to redesign the City's business development workshops into a more holistic program to better leverage the City's resources and utilize more of CWE's expertise and services. For FY 2007, the program plans include a combination of outreach sessions, group workshops, individual business consulting, and intensive entrepreneurial training. EDD expects that this combination of services will provide more targeted help to clients and produce more long-term results concerning business starts and business growth.

Public Services

In addition to reviewing written quarterly performance reports submitted by each subrecipient, City staff made an annual site visit to each of the 23 subrecipient agencies, as well as the three programs operated by the Department of Human Service Programs (Multi-Service Center, Haitian Services, Council on Aging Grandet an Aksyon program). Each program was furnished with a copy of the monitoring guide in advance of the visit, and received a written report of the site visit afterwards.

There were no findings on any of our monitoring visits to subrecipients in FY2006. The City remains in close contact with subrecipients throughout the year, and works with them on resolving any difficulties early on, which avoids findings at the time of monitoring.

Public Services programs, which provide services to individuals and families and are not oriented toward economic, neighborhood or community change *per se*, have much different metrics of success than other CDBG funded activities. In most categories of service, category total goals were met or exceeded for the year.

In preparation for the HUD monitoring visit in April 2006, City staff reviewed all files related to our subrecipients, obtaining any missing or incomplete items from the agencies. A spreadsheet was completed showing the date of the monitoring visit for each program, the number of findings, the date of the monitoring letter and the date findings were resolved. During this program year, there were no findings, as noted above.

Emergency Shelter Grant (ESG) Program

Over the passed program year, all thirteen Cambridge-funded ESG programs were monitored on a regular basis using the three-pronged approach of:

1. Distance monitoring, using telephone, fax and email correspondence with each agency's program and fiscal personnel;
2. Reviewing program reports, bills and back up; and
3. Conducting site visits where necessary, often in collaboration with a colleague from the City's Community Development Department.

In addition to ensuring that each funded program was in compliance with both HUD and regulations and City ordinances, monitoring was used as a tool to help improve some of the weaker programs by offering technical assistance.

City personnel performed on-site monitoring visits to the following ESG programs during the FY 2006 program year:

- Shelter Inc.'s Women's Drop-In Shelter and their Shelter Plus Care Program;
- CASPAR's Emergency Service Shelter for Active Substance Abusers;
- Bread & Jams' Drop-In Shelter;
- The Salvation Army Shelter;
- Phillips Brooks House's two Harvard student volunteer led programs, Harvard Square Homeless Shelter & St. James' Summer Shelter;
- The YWCA of Cambridge's family shelter; and
- Cambridge Cares about AIDS' Youth on Fire Drop-In shelter.

All programs visited were found to be in compliance with HUD regulations and were deemed to be performing their services and achieving their goals as contractually agreed with the City.

Lead-Safe Cambridge

The Lead-Safe Cambridge (LSC) financing mechanism involves a five-year deferred forgivable loan, set forth in a Note and Mortgage agreement with the owner. Monitoring of owners and tenants is done to verify owners' compliance with the Affordable Housing Covenant, as specified in the Note and Mortgage (rents and tenant income levels based on HUD guidelines), for a five-year period of time following deleading. While income levels are verified as an element of the enrollment/income qualification process, income qualification of new tenants is required when a new tenant moves into a deleaded unit within the five-year compliance period. **It is the responsibility of the owner to notify LSC of changes in tenancy and to have the new tenant complete the LSC Intake Packet.**

Five-Year Monitoring

Monitoring is done on a bi-monthly basis, on the anniversary of the Letter of Compliance, beginning in Year 2 and continuing through Year 5, when the loan is fully discharged. Monitoring activities focus on four categories of owners and tenants:

- Owners
- Tenants
- Owner-occupants
- Non-profit owned properties

Owners: LSC sends each owner a letter and a Certification Form requesting documentation of: 1) the name of current tenant; 2) if tenant is new, whether they have completed the LSC Intake Packet; and 3) the amount of rent charged.

Tenants: Upon receipt of the owner's reply (within two weeks) LSC sends the current tenant a letter and Certification Form asking them to document their tenancy and to provide the amount of monthly rent paid. If the tenant is new, they are required to

complete and submit an LSC Intake Packet within two weeks.

Owner-occupants: LSC sends each owner-occupant a letter requesting verification that they continue to reside in the unit.

Non-profit owned properties: Non-profit housing rehab organizations document the occupancy, income, and affordable rent of their tenants via letter.

For each of the monitoring categories, responses are tracked and documented; follow-up letters and phone calls may be required. Non-compliance is rare, but when it occurs, the owner receives a letter stating that they have breached the agreement and repayment of the loan with interest will become due and payable in accordance with the terms of the Note and Mortgage. *Results of FY 2006 monitoring follow on Page 2.*

FY 2006 Monitoring

Category	Number monitored
Owners	82
Tenants	75
Owner-occupants	34
Non-profits	141
TOTAL	332

Approximately 75% of monitored clients responded to monitoring letters mailed in FY 2006. Non-responders (approximately 25%) have been re-contacted. LSC will continue to pursue the non-responders to closure. Two owners were found to be out of compliance with LSC's affordable housing covenant. One has re-paid his loan, plus interest, as required by the terms of LSC's Note and Mortgage, and the other owner is in the process of doing so.

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

Program Year 1 CAPER Lead-based Paint response:

The Lead-Safe Cambridge Program

Since 1994, a series of concurrent HUD grants (“Lead-Based Paint Hazard Control”) totaling \$13.2 million dollars have supported the work of the Lead-Safe Cambridge (LSC) program. In October 2004, LSC was awarded a fifth round of funding, which will enable the program to operate through March 2008.

The program provides assistance to property owners who rent to very low and low-income families by arranging lead paint inspections and abatement, relocating families during de-leading, providing referral for testing and medical follow-up of children under six, and by assuming the full cost of inspections and up to \$10,000 per unit for lead hazard control.

During the 2006 fiscal year, LSC assisted property owners in de-leading **38** housing units occupied by low and moderate income households, provided landscaping services to treat leaded soil in **21** homes, monitored **301** enrolled units for compliance with the affordable housing covenant, and sponsored **47** community events to prevent childhood lead poisoning by raising awareness, changing behavior, and connecting people with resources. **Two** free trainings were offered, one targeted to contractors/supervisors seeking licensure and one targeted to homeowners, do-it-yourselfers and others interested in learning about lead-safe work practices during renovations.

Through its long-standing partnerships with local public health, code enforcement, and non-profit rehabilitation agencies, LSC strives to achieve two major policy goals: preventing the lead poisoning of Cambridge children and increasing access to affordable lead-safe housing for low income families. As of June 2006, the program has delead **666** units of affordable housing and over **200** yards have been made lead safe through the intervention of the Safer Soil program. More importantly, since the inception of the LSC program, the percentage of Cambridge children under age six with elevated blood lead levels has dropped from 10% to less than 1%.

LSC has been the recipient of several prestigious awards. In 1999, the Safer Soil project was recognized for its innovative approach to addressing an environmental problem through landscape design by receiving an American Society of Landscape Architects (ASLA) Merit Award. In 2000, LSC received the “2000 HUD Best Practices Award of Excellence” for its work in creating affordable lead-safe housing and reducing lead poisoning rates in Cambridge. In 2003, LSC was the proud recipient of the eighth “Innovations in Fair Housing Award” from the Cambridge Human Rights Commission, and in 2004, the program was recognized by the Cambridge Housing Authority, for its contribution to creating and maintaining affordable housing.

HOUSING

Housing Needs

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe Actions taken during the last year to foster and maintain affordable housing.

Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.
3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

Public Housing Strategy

1. Describe actions taken during the last year to improve public housing and resident initiatives.

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

HOME/ American Dream Down Payment Initiative (ADDI)

1. Assessment of Relationship of HOME Funds to Goals and Objectives
 - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.
2. HOME Match Report
 - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.
3. HOME MBE and WBE Report
 - a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).
4. Assessments
 - a. Detail results of on-site inspections of rental housing.
 - b. Describe the HOME jurisdiction's affirmative marketing actions.
 - c. Describe outreach to minority and women owned businesses.

Program Year 1 CAPER Housing response:

Housing Division

Introduction

Through its commitment to create and preserve affordable housing for low- and moderate-income residents in Cambridge, the City's Community Development

Department Housing Division identified four definitive objectives to meet its goal. The objectives include:

- Create New Affordable Rental Units;
- Create New Affordable Homeownership Units;
- Preserve Affordable Rental Units; and
- Stabilize and Renovate Owner-Occupied 1-4 Unit Buildings.

In the Five-Year Consolidated Plan, completed in May 2005, the City projected goals to be achieved over five years, and embarked on plans to strategically meet its objectives by partnering with non-profit housing developers, private developers, the Cambridge Affordable Housing Trust, and the Cambridge Housing Authority (CHA). With funds received from the U.S. Department of Housing and Urban Development (HUD), the City continues to successfully leverage financial support from other federal, state, local and private sources to meet development and housing service objectives. The following narrative is an overview of the City's housing activities completed in fiscal year 2006, and its progress in meeting housing goals stated in its Five-Year Consolidated Plan.

Objective #1: To create new affordable rental units targeted to extremely low, low and moderate-income families and individuals.

Non-profit Affordable Housing Development Program - Rental

Affordable rental and homeownership units are developed through the City's Non-profit Affordable Housing Development program. Local non-profit housing agencies include designated Community Housing Development Organizations (CHDO) Homeowner's Rehab Inc. (HRI) and *Just-A-Start* Corporation (JAS) in addition to CASCAP Inc., the Cambridge Housing Authority (CHA), and the Cambridge Affordable Housing Corporation (CAHC) a subsidiary of the CHA. Each received financial assistance, technical support or both this year. These organizations acquired and rehabilitated existing buildings and built new housing, adding new rental and homeownership units to the City's affordable housing stock. The buildings are made permanently affordable through the City's Affordable Housing Agreement, which enforces a long-term deed restriction which requires an affordability period of fifty years or more. Whenever possible the City considers the use of City-owned land for development of affordable housing to reduce development costs.

Accomplishments: In FY 2006, the City continued work on more than 100 affordable rental units around the City. Projects during this fiscal year include: the acquisition and moderate rehab of a Howard Street building with six rental units and expected to be completed in 2007; the completion of renovations on six units on a Cambridge Street property acquired in FY 2004; the completion of renovations at a 65-unit Lancaster Street development; and the continuation of new construction on 40 units of housing with 32 affordable rental units at Trolley Square. The City also continued to work with the Cambridge Housing Authority to acquire scattered-site condominium units under the CHA's Condo Acquisition Program. Affordable restrictions were also placed on

properties on Allston Street, Walden Street and Allen Street, which will, when construction is complete, produce three units of affordable housing.

CDBG, HOME and Cambridge Affordable Housing Trust funds supported the development of these affordable rental units and leveraged several million dollars from public and private sources. These units are currently in various stages of the development process and will be occupied by extremely low, low and moderate-income residents when completed.

Salaries of the City's Community Development Department Housing staff were also funded in part with CDBG and HOME funds to deliver these projects. Staff worked with non-profit organizations to identify potential opportunities, assess the overall feasibility of the project, identify funding sources, advance the project through acquisition and development and tenant selection, and monitor completed units to ensure continued compliance with program requirements.

Challenges: Overall, the primary challenges in producing new affordable rental opportunities in Cambridge are high acquisition and construction costs. Being a largely built-out City, opportunities for development of new housing units are limited. Intense competition from developers of market-rate housing makes obtaining sites for development of new units difficult. Whenever possible the City considers the use of City-owned land for development of affordable housing to reduce development costs.

Additional challenges in creating new affordable rental housing stem from the reduction in Section 8 operating subsidies which are critical to the feasibility of new housing development. Developments are much more difficult to finance with uncertainty regarding the Section 8 program funding levels. As a result projects that could have produced affordable rental housing with Section 8 were funded with other subsidy sources to create affordable homeownership units.

Inclusionary Housing Program

Through the Inclusionary Housing Program, private owners developing new or converted residential developments with ten or more units are required to provide 15 percent of the units as affordable housing. The units are affordable for the life of the building.

Accomplishments: In FY 2006, 58 new affordable rental units were created through the Inclusionary Zoning Program. In addition, the City continued discussions with owners of several sites, slated for development, which will create additional inclusionary units over the next few years. The projects are in various stages of the development process. Amidst rising land costs and housing prices, the Inclusionary Housing Program has been a very successful and cost effective vehicle for securing affordable units in mixed-income developments in the City. Since its inception in 1998, 376 affordable rental and ownership units have been created under the program.

Community Development Housing staff salaries are funded with CDBG funds to help administer the Inclusionary Zoning Program. Project delivery activities for Inclusionary

Housing projects include technical assistance to developers, reviewing plans and specifications to ensure that the appropriate number and type of units are designated as affordable, ensuring that the units are comparable in size and amenities to market-rate units, and assisting the developer in marketing the units to eligible renters or buyers.

Objective #2: To increase affordable homeownership opportunities for first-time low and moderate-income buyers.

Non-profit Sponsored Affordable Housing Development – Homeownership Inclusionary Housing

First-time Homebuyer Financial Assistance Program

The City finances the acquisition and rehabilitation of homeownership units through non-profit sponsored development of homeownership units. It also creates homeownership opportunities for low- and moderate-income families through the Inclusionary Housing Program and through the City's Financial Assistance Program, which provides deferred loans to first-time buyers. In addition, the City assists with the resale of deed-restricted affordable units to eligible households.

The City provides services to support first time homebuyers as they begin the process of buying a home. In addition to Homebuyer Education workshops, first-time homebuyers are provided with individual counseling and post-purchase classes. Class graduates are often eligible for American Dream Downpayment Initiative (ADDI) downpayment and closing cost assistance, Mass Housing financing, and Soft Second Loans. The City applies for these through the Department of Housing and Community Development (DHCD), which funds the interest rate subsidy and loan loss reserve components of this program. These funds are used in conjunction with reduced rate first mortgage funds provided by area lenders and partners. The housing staff collaborates with Concilio Hispano, Inc. (an interpreter service), the Cambridge Multi-Service Center, the state and other non-profit groups to assist Cambridge residents of all backgrounds and cultures in achieving homeownership.

Accomplishments: In FY 2006, the City created 118 new homeownership units affordable to households with incomes at or below 80 percent of the City's area median income. New units include 13 units sponsored by Just-A-Start Corporation to be developed on Columbia Street, affordable units now being built at a former VFW building on Massachusetts Avenue, 10 units acquired by first-time homebuyers using the City's Financial Assistance Program, and 92 homeownership units produced under the City's Inclusionary Zoning program. In addition, in FY06 JAS completed the construction of six units on Bolton and Blair Streets and eight units on Rindge Avenue, and continued construction of 14 units at the Gateview Condominium development. HRI also continued the construction on eight homeownership units at the Trolley Square development on Massachusetts Avenue.

In addition to new units created, the Housing staff conducted ten First Time Homebuyer

(FTHB) classes; provided individual counseling to 163 homebuyers; conducted a workshop for persons interested in owning multifamily property; and assisted 54 low- and moderate-income households to purchase units in Cambridge. It also hosted two post-purchase seminars for those who purchased units through the City's first time homebuyer program. In total, more than 516 people were served through the City's FTHB program this fiscal year.

Challenges: Being a largely built-out City, Cambridge faces several challenges in producing new affordable homeownership opportunities, such as high acquisition costs and escalating construction costs. Nevertheless, the City continues to be proactive in creating and implementing housing programs to aid low- and moderate-income buyers through initiatives such as non-profit housing development and Inclusionary Housing Program. The City also utilizes federal programs and funds as they become available, such as the recently created American Dream Downpayment Initiative program, to assist low- and moderate-income families in becoming homeowners.

Objective #3: To preserve affordable rental housing and enhance access for extremely low, and low and moderate-income households.

This housing objective is accomplished through the City's Expiring Use Program. Through this program, the City provides technical and financial assistance to tenants, owners, non-profit organizations, and other concerned parties as they collaborate to address the long-term needs of housing developments at risk of losing their affordability. Through the Cambridge Economic Opportunity Committee (CEOC), the City annually funds a Tenant Organizer who works directly with tenants living in expiring use buildings that are in danger of being converted to market-rate housing. The City's housing preservation strategy also includes enforcing local use restrictions resulting from zoning or tax agreements.

Accomplishments: In FY 2006, the City and HRI worked to preserve the affordability of the Fogarty Building and ensure that the 17 units would remain affordable resources for low- and moderate-income households. Other preservation projects being evaluated by the City include Putnam Square, CAST I Apartments, and several limited equity coop buildings.

Challenges: The strong real estate market in Cambridge continues to be the primary challenge in preserving buildings with expiring affordability restrictions. While the City has had success in preserving or extending the affordability of many such properties, owners of federally funded developments and cooperatively owned buildings need significant financial incentives to decide not to convert units to market-rate rental or condominium housing, as tremendous financial gains can be made by doing so. The cost of housing and land in Cambridge remains very high and costs continue to rise. The decreased availability of Section 8 vouchers continues to negatively affect tenants in federally subsidized buildings where affordability restrictions need to be extended. As buildings approach expiring affordable terms uncertainty with Section 8 vouchers will make negotiating with owners a growing challenge.

Cambridge Neighborhood Apartment Housing Services (CNAHS)

The Cambridge Neighborhood Apartment Housing Services, Inc. provides low-interest rehabilitation financing to private owners of multifamily properties in return for a set-aside of units for low and moderate-income tenants.

Accomplishments: In FY 2006, CNAHS provided financing for two projects which will add five affordable units to the City's affordable housing stock. CNAHS also continued discussions with other private owners who are interested in participating in the program, and anticipate creating several additional units in the upcoming fiscal year. Despite an exceptionally strong rental market in Cambridge, CNAHS has been successful in attracting new owners to the program and setting aside affordable units that might otherwise be lost as affordable resources for low- and moderate-income households.

Challenges: Overall, the primary challenges in producing new affordable rental opportunities in Cambridge are high acquisition and construction costs. Being a largely built-out City land for construction and competing community demands often result in the density reduction of new development opportunities. These challenges are made more difficult with the recent cuts to the Section 8 program, which is key component of the CNAHS housing strategy.

Objective #4: To stabilize and renovate owner-occupied one-to-four family buildings owned by the very low, low and moderate-income households.

Home Improvement Program

The Home Improvement Program (HIP) is a low-interest rehabilitation loan program for low and moderate-income owners of one to four-unit buildings. HUD approved the City's Neighborhood Revitalization Strategy (NRS), which expands the program to serve households with incomes above 80 percent of area median income living in low-income census tract areas. Through the HIP program, owners use funds to renovate one-to-four family homes to meet HUD, State and City building code requirements. Homeowners Rehab, Inc. and Just-A-Start manage the program with oversight from the City's Housing Division. Between the rehabilitation efforts of both non-profits, HIP Program services are available in all 13 Cambridge neighborhoods.

Accomplishments: In FY 2006, Just-A-Start and Homeowner's Rehab worked with homeowners to close 27 cases and provide technical and financial assistance to rehabilitate and stabilize approximately 42 units under the HIP program. The Community Development Department (CDD) funds a contract with each agency to support both staff time and loan funds for this program. In addition, the program leverages outside funds from a variety of other public and private sources to undertake necessary renovations to revitalize the housing stock in low-income communities and stabilize the occupancy of low and moderate-income homeowners in their homes.

Challenges: Escalating construction costs and the need for increased subsidies are a challenge to HIP program administrators in their work to seek new owners to participate

in the program. In addition, Title X continues to pose a challenge to owners looking to rehab using federal funds because it requires owners to de-lead units receiving \$5,000 or more in CDBG funds. Many owners without young children do not want to have their unit deleaded and have elected not to participate in the program since this regulation was enacted, thus, reducing the number of units that might have been served by the program.

Also, the increase in condominium conversion of the older stock of two-, three- and four-family homes across the City has also impacted the program. With more two- and three-family buildings now converted to condominiums, condo conversion has affected the number of units served by the program as the two agencies, Just-A-Start and HRI, have been increasingly serving individual condo owners as opposed to the owners of two-, three-, or four-unit properties.

Rehabilitation Assistance Program

Through the Rehabilitation Assistance Program (RAP) program, youth crews received hands-on rehabilitation experience by working on non-profit sponsored housing projects and the Cambridge Housing Authority's public housing sites. Just-A-Start administers the program with financial support from the City through the CDBG program. RAP provides training and education for youth rehabilitation and de-leading crews. In FY 2006, 177 youths participated in the program receiving on-the-job technical training as they rehabilitated housing units around the City.

Affordable Housing

As described throughout this report, the City of Cambridge has adopted a multi-faceted approach in its commitment to creating and maintaining the City's affordable housing stock. To this end, the City offers a wide range of programs and services.

RENTAL HOUSING PRODUCTION PROGRAMS: Non-Profit Acquisition and Development Program and Inclusionary Housing Program:

In FY 2006, 67 rental units were created under these programs. Through the City's acquisition and development program, non-profit organizations in Cambridge and the Cambridge Housing Authority acquire and rehab existing buildings and/or develop new housing to provide affordable units. Under the City's Inclusionary Housing Program, private developers are required to include affordable units in all new housing developments of more than 10 units. Housing units created by the City under these programs remain affordable under the terms of a long-term deed restriction held by the City.

FIRST-TIME HOMEBUYER (FTHB) PROGRAMS: Non-Profit Acquisition and Development Program; City FTHB Financial Assistance Program & Inclusionary Housing Program

In FY2006, 118 affordable homeownership units were created and 54 households were assisted with purchasing affordable units through the FTHB program. Housing staff hosted ten First Time Homebuyer classes, a class for persons interested in purchasing multi-family buildings, and two classes for households that have purchased affordable units in Cambridge. Approximately 516 people participated. Housing staff provided one-on-one counseling to 163 individuals or households. The City's housing staff also assisted households to access special mortgage products, financial assistance/down payment and closing cost assistance through the American Dream Downpayment Initiative (ADDI), the Soft Second Loan Program, and the Municipal Mortgage Program or with affordable unit re-sales.

EXPIRING USE PROPERTY PRESERVATION PROGRAM: In FY 2006, the City worked with HRI to preserve the affordability of the Fogerty Building, containing 17 units. In order to preserve federally assisted rental housing and other developments with expiring restrictions, the program provides technical and financial assistance to tenants, owners, and non-profit developers working with these properties.

AFFORDABLE HOUSING REHAB LOAN PROGRAM: In FY2006, Cambridge Neighborhood Apartment Housing Service (CNAHS) assisted in financing the substantial renovation of 5 affordable units through the CNAHS Multifamily Rehabilitation Program. CNAHS, with funding from the City, provides low-interest rehabilitation financing to private owners of multifamily properties in return for a set-aside of affordable units.

HOME IMPROVEMENT PROGRAM (HIP): HIP is a low-interest rehabilitation loan program for low and moderate-income owners of one to four-unit buildings. In FY 2006, 42 units were assisted through this program. The City, in collaboration with Homeowners Rehab Inc. and Just-A-Start Corporation, provides technical and financial assistance in the form of low-interest and deferred financing to owners of one-to-four family homes to renovate properties to meet HUD, State and City building code requirements, with an agreement that the rental units will be kept affordable to low- and moderate-income households.

INCLUSIONARY HOUSING PROGRAM: Through the Inclusionary Housing Program, private owners developing new or converted residential developments with ten or more units are required to provide 15 percent of the units as affordable housing. The units are affordable for the life of the building.

INCENTIVE ZONING PROGRAM: The Incentive Zoning Ordinance requires that non-residential developers which need a Special Permit mitigate the impact of their development through a contribution to the Affordable Housing Trust.

Through these innovative programs and policies, the City provides new affordable housing opportunities in mixed-income developments and leverages funds from non-residential developers in Cambridge to further housing production.

Other City-Sponsored Services

Tenant/Landlord Mediation Services: With funding from the City, Just-A-Start Corporation administers a tenant/landlord Mediation Services Program. The Agency receives funds from the City annually to administer, develop, and implement this program.

Tenant Organizing for Expiring Use Buildings: With support from the City, the Cambridge Economic Opportunity Corporation (CEOC) employs a full-time Tenant Organizer whose responsibility it is to organize and mobilize tenants at risk of being displaced from federally-assisted buildings when their affordability restriction expire. CEOC receives funds annually from the City for this program.

City of Cambridge Multi-Service Center: This center provides housing search services, referrals to shelters, and limited emergency funds.

Cambridge and Somerville Legal Services (CASLS): CASLS provides free legal services for low-income residents.

Housing for Individuals with Disabilities

The City ensures that its non-profit sponsored developments comply with the American with Disabilities Act to provide handicap accessible units. In addition, the City seeks to ensure that it secures handicapped accessible units as part of the Inclusionary Housing Program. Housing staff works closely with the Commission on Persons with Disabilities to market units to appropriate households.

Through its partnership with CASCAP Inc., a local non-profit housing developer and service provider, the City develops units specifically targeted to persons with mental disabilities. CASCAP specializes in providing the delivery of housing to single individual households as well as the special needs populations, including individual with psychological disabilities and the elderly. The organization is also skilled in the rehabilitation and development of properties and in the management of group homes and single room occupancy dwellings with a social service component.

Worst Case Needs

The City of Cambridge requires that affordable housing developers submit a tenant marketing and selection plan. The City addresses households with worst-case needs through a "priority point system" established by the City that reflects HUD's guidelines. Priority is given first to households with children under six to ensure they are living in spaces that are properly dealed and priority is next given to households with children under eighteen. For rental units, priority is also given to the following households: those living in an emergency situation such as those living in an overcrowded or unsafe home; households paying more than fifty percent of their income in rent; households who are being involuntarily displaced, or those who are homeless.

CAMBRIDGE HOUSING AUTHORITY: **Public Housing Improvement and Resident Initiatives**

This past year, the Cambridge Housing Authority (CHA) continued its participation in HUD's *Moving To Work Deregulation Demonstration* program (MTW), as one of a handful of housing authorities with a comprehensive program taking advantage of the significant regulatory and fiscal flexibility the Demonstration allows. MTW helped facilitate the CHA's progress on a number of important fronts.

PUBLIC HOUSING

Capital Improvements and Extraordinary Maintenance Efforts: As in prior years, the preservation and continued viability and quality of the in-place stock continued to be part of CHA's fundamental mission in FY 2006. In response to funding cutbacks, CHA reduced spending on capital improvements and extraordinary maintenance projects to \$5 million in FY 2006. Funding restrictions forced CHA to defer \$13.2 million of capital expenditures in FY 2006. Further reductions in capital spending are expected in the coming years due to budget reductions in both the public housing and Housing Choice Voucher programs. Although it expects to receive funding well below the amount required to meet the needs of its properties, CHA will continue to explore ways to leverage additional funding and use its MTW fungibility to continue its capital and extraordinary maintenance projects.

Millers River Self-ESCo/Energy Performance Contracting: At the Millers River Apartments, a 302-unit elderly high-rise, the 30-year-old electrical heating system has been replaced with state-of-the-art gas-fired condensing boilers, new domestic hot water service and a new heat distribution system; in addition, the make-up air system for corridor ventilation was replaced. CHA is authorized under MTW to function as its own ESCo and retained the significant savings realized through self-management, construction oversight and the reduction in ongoing energy maintenance costs associated with the project. The \$2.5 million project was funded in part by a \$1.7 million tax-exempt municipal lease that CHA secured for 12 years at a very favorable 4.29% rate. The debt service on this lease will be fully covered with savings achieved by the project. CHA obtained approximately \$60,000 in additional funding through a unique arrangement to sell CO2 gas emission reduction credits resulting from the project. Work to implement the energy savings project began in June 2004 and reached substantial completion in February 2006.

Public Housing Occupancy: CHA continues to serve more program participants in its MTW-related programs than it would absent the demonstration. In elderly housing, CHA is currently holding units off-line for modernization in order to address the significant needs of the elderly developments for new kitchens and baths, as well as exterior building work. Rent policies and income diversification continued to be successful elements of CHA's MTW program. Despite these and other positive growth signs, CHA's achievements are measured against the context of a highly competitive residential market and continued demand for alternative options: the total number of applicants on CHA's

waiting lists—including conventional family and elderly housing—rose over the past year, underscoring the significant and persistent need for affordable housing in Cambridge.

Public Housing Management: CHA continued its strong performance on the following indicators:

Inspections: CHA inspected 100 percent of its conventional public housing inventory, excluding units off-line for modernization.

Work Orders: Work order response time averaged less than five days.

Rent Collections: Rent collections were at 98 percent of the total of CHA's issued rent statements.

Occupancy: Adjusted for units in modernization, CHA's combined adjusted occupancy percentage for its conventional public housing inventory was 99 percent.

Security: CHA continued its security program's enforcement and prevention strategies. Although activities were reduced in scope and hampered by tightened funding due to the reduction of financial resources, efforts to control crime and to keep CHA developments as safe as possible continued. In FY 2006 approximately \$32,000 was spent on 113 Cambridge Police Department security patrols in addition to \$56,500 on security stipends for residents.

Public Housing Management Practices: In anticipation of the new HUD Operating Fund rule, CHA continued its evaluation and comprehensive refinement of its property-based budget system, including practices for managers as well as the creation of a management fee and indirect cost pool policies and procedures. CHA will be in compliance with proposed HUD regulations for asset-based budgets.

CHA Resident Survey: In March of 2006 CHA conducted its Public Housing Resident Satisfaction Survey in place of the HUD-required Resident Satisfaction Survey, to gauge resident opinions on a range of management, maintenance, safety, social service and other factors. Results were strong: 86 percent of residents surveyed were satisfied with the overall conditions of their units; 89 percent were satisfied with maintenance; 85 percent were satisfied with the way they were treated by CHA office staff; and 96 percent of residents felt safe in their units.

LOCAL LEASED HOUSING

CHA continued to operate its Local Leased Housing Program in conformance with the approved MTW Agreement. Program utilization of MTW units was 1,842. This level reflects previously-committed Project-Based Assistance (PBA) units coming on-line as well as those applicants obtaining "emergency status."

Project-Based Leased Housing: CHA continued to implement its modified Project-Based Local Leased Housing Program initiative during much of FY 2006. This competitive process allowed qualified owners to apply for project-based units throughout the year subject to funding availability. By utilizing the project-based program, developers and owners were able to assist families directly from CHA's waiting list. During the past two years CHA was able to increase the number of project-based units from 230 to 436. In FY 2006, CHA worked with the City of Cambridge to develop a new Project Based Assistance Request for Proposals (RFP). In FY 2007, CHA and the City's Affordable Housing Trust will issue the RFP and award up to 40 PBA vouchers to projects proposed by other non-profits in the city.

Preservation of State MRVP and AHVP Programs: CHA continued to implement changes to the Massachusetts Rental Voucher Program (MRVP), including the Alternative Housing Voucher Program (AHVP), as described in the FY 2006 Annual Plan. In FY 2006 (and consistent with previous years), CHA used \$110,000 in federal funding to augment the state subsidy, making state program rent levels equivalent to Federal Leased Housing FMRs for 11 state vouchers.

Leased Housing Program Management: CHA continued to operate its Local Leased Housing Program in conformance with its approved MTW Agreement and met or exceeded its objectives relating to the following indicators:

Leased Housing Inspections: CHA inspected 100 percent of its inventory and ensured that all units met Housing Quality Standards.

Waiting List: As reported in the FY 2006 Plan, CHA found it necessary to close the Leased Housing waiting list in FY 2004 based on the limited availability of program resources and over-utilization. The list remained closed through FY 2006, except for those applicants who met the emergency criteria.

Ensuring Rent Reasonableness: Rent reasonableness determinations were made at initial occupancy and prior to granting rent increases for 100 percent of all leased units.

MTW Changes: Using MTW authority, CHA continued to provide vacancy and damage claims options for landlords.

De-concentration: CHA's program participants lease units throughout the City of Cambridge. During FY 2006 housing choice vouchers were used in all of the City's Census tracts, and a number of Local Leased Housing Program initiatives were focused on maintaining this diversity of placement. Through its de-concentration policy CHA monitored the number of apartments leased by Census tract to ensure that balanced housing patterns were sustained. No negative-impact areas were identified.

AFFILIATE HOUSING

Since the inception of MTW in April 1999, the development activity of CHA and its non-profit affiliates has totaled \$73,235,707, for the acquisition or construction of 317 units.

(As an indication of the local market, the City of Cambridge Community Development Department notes that through the first half of calendar year 2006, the median sale price for a single-family home is \$942,000 and \$419,900 for a condominium.) Moreover, CHA has used \$10.8 million of its MTW resources to leverage over \$62.35 million in public and private financing sources. For every dollar provided by CHA, its affiliate entities have leveraged six dollars of funding. The information below reports CHA's progress on the specific development programs and activities laid out in the FY 2006 Annual Plan.

Ongoing Partnerships with Regional and Local Institutions: CHA depends on the firm commitments and financial leverage provided by strong relationships with local lending partners, academic institutions, and State and local agencies. CHA has continued productive relationships over the years with the City of Cambridge, the Cambridge Affordable Housing Trust (CAHT), the Harvard Housing Innovations Program, the East Cambridge Savings Bank, Cambridge Trust Company, Cambridge Savings Bank, and the Massachusetts Housing Partnership.

Condominium Acquisition Program:

CHA and its non-profit affiliate, the Cambridge Affordable Housing Corporation (CAHC), continued the Condominium Acquisition Program through FY 2006, as part of the ongoing effort to secure additional affordable housing units in an

extremely tight housing market. In FY 2006, CAHC acquired an additional 1BR unit, bringing the total acquisition count to thirteen units purchased under CAP.

CHA Affiliate Entity	Units
Cambridge Affordable Housing	66
Essex Street Management, Inc.	14
Lancaster Street, LLC	65
J.F.K., LLC	69
Total	214

Affiliate Asset Management: As CHA's stock of assisted housing expands, the issues surrounding scattered-site management become more complex. Following an assessment of internal management and financial systems in the previous fiscal year, CHA changed its property management procedures and implemented an asset management approach for the 214 units of privately-held housing. An Asset Management Department was established and an Asset Manager was hired.

NEVILLE MANOR REDEVELOPMENT

This large-scale, adaptive re-use project, which became fully and independently operational in FY 2005, embodies CHA's catalytic efforts in addressing the needs of Cambridge elders. Through the regulatory flexibility allowed through MTW, CHA acted as the developer of this 71-unit, low- to moderate-income assisted-living facility, which was combined with a 112-bed skilled nursing facility. The project's significance is highlighted by its timing; it came on-line as the City was experiencing a city-wide loss of more than 50 percent of its skilled nursing home beds over the last four years.

RESIDENT PROGRAMS

Resident Programs and Economic Development: Funded by outside grants, CHA's resident programs met its annual goals, with the CHA/Cambridge Employment Program (CEP) serving 192 residents in FY 2006 and the Work Force Program serving 135 youth between the ages of 13 and 19. In addition, 83 adult speakers of other languages enrolled in the Gateways Adult Literacy Program; 258 residents attended the Community Computer Center and 17 high school graduates participated in the Bridge to College Program.

Program	FY 2006 Annual Plan Goal(s)	Number Served *
CHA/Cambridge Employment Program	Serve 50; Place 22 in Jobs	Served 192; Placed 32 in Jobs
Computer Centers	Serve 200	Served 258
Gateways ESL	Serve 65	Served 83
Bridge-to-College	Serve 12; 65% Accepted to Job Training or College	17 Served; 67% matriculation rate
Bunker Hill Community College	Offers between 12-15 courses each semester	13 courses offered Spring Semester, 2006; 12 courses offered Fall Semester, 2005
Work Force	Serve 135 Youth; 75% High School Seniors Matriculation	135 served through March, 2006; 86% Matriculation Rate

** Most of these programs are funded through an EDSS grant, the reporting period for which runs from July through December, and from January through June. Numbers are tracked according to this time period and not CHA's fiscal year.*

Elderly Innovations: CHA continued its efforts to take the lead in providing affordable housing and support services to the city's aging population. These include the continuation or initiation of 24-hour health care and social services provision; on-site staff for supportive living and coordination of services; daily meal service; and office space and education services, such as English for Speakers of Other Languages (ESOL). CHA applies grant funding to secure staffing and provide these and other services at its existing elderly developments.

Self Evaluation

The City of Cambridge has a multi-faceted approach to delivering affordable housing to its residents. The costs and supply of housing, limited availability of subsidy, competing pressure for land uses, and pressure to keep the density of new development low are the challenges faced by the City in preserving the existing units and creating new housing. It currently has approximately 6,800 units that represent about 15 percent of all housing units in the City. The chart below summarizes the City's production and achievements in Fiscal Year 2006, which are discussed throughout this report. Each activity below received funding from HUD and the City and leveraged over million in other private and public resources.

FY2006 Accomplishments

<u>Housing Objectives</u>	<u>FY 2006 Production</u>	<u>Comments for Current Year's #s</u>
Obj 1: Creation of new rental units: Implemented to increase supply of affordable rental units for low- and moderate-income households, stabilize communities and remove blight	72 Units	<ul style="list-style-type: none"> • 58 created through the Inclusionary Housing Program • 5 created through the CNAHS Program • 9 created through the Non-Profit Affordable Housing Development Program
Obj 2: Creation of New Homeownership Units: Implemented to increase supply of affordable units for low- and moderate-income households, stabilize communities, and remove blight	118 Units	<ul style="list-style-type: none"> • 92 units created through the Inclusionary Zoning Program • 16 created through Non-Profit Affordable Housing Development Program • 10 created through the City Financial Assistance Program
Obj 3: Preservation of existing affordable units: Implemented to preserve existing affordable rental units	17 Units	
Obj 4: Stabilize 1-4 unit owner occupied Buildings: Implemented to increase property values, stabilize low- and moderate-income owner occupants, rehab, existing housing stock, reduce blight, increase affordable rental units, and increase neighborhood tax base	42 Units	Units created through the Home Improvement Program (HIP)
Public Outreach & Resident Inquiries Fielded: Implemented to educate residents and inform them of available city housing programs, services and affordable units services to improve their quality of life	7,562 Persons 21 Events	<ul style="list-style-type: none"> • 7,562 Requests for information & referrals • 21 Outreach and information events across Cambridge • 726 Households added to housing database.

First-Time Home Buyer Classes & Counseling: Implemented to stabilize neighborhoods through education and increase the percentage of ownership units in neighborhoods	733 Households Assisted 13 Housing Courses or Workshops Held	<ul style="list-style-type: none"> • 516 participants in FTHB courses • 163 Cambridge residents receiving individual counseling • 54 households assisted with purchase of units in Cambridge • 10 four-session FTHB classes • 1 workshop on purchasing multi-family structures • 2 post-purchase workshops on homeownership
Rehabilitation Assistance Program (RAP): Implemented to improve neighborhood stability by renovating both new and existing affordable units	177 Youths	<ul style="list-style-type: none"> ▪ 177 Youths Participated and trained
Tenant and Landlord Mediation: Implemented to stabilize communities by empowering tenants to reduce displacement and improve quality of life	420 Clients	<ul style="list-style-type: none"> • Number of clients assisted through landlord and tenant counseling and mediation service under Housing Services Program

HOME Narrative

Overview of HOME Program in Cambridge

The City of Cambridge receives entitlement funds under a grant agreement with the United States Department of Housing and Urban Development (HUD) for the HOME Program. Since the program's inception in 1993, the City has received \$12,467,752 in HOME funds, including \$1,639,647 received in FY 2006.

With the HOME funds received from HUD, the City provides loans to support the acquisition, new construction, and rehabilitation of eligible affordable rental and homeownership residential units. As required by HUD, a minimum of 15 percent of the City's HOME funds are used specifically to support local Community Housing Development Organizations (CHDOs), to create affordable rental and homeownership units.

The City staff work with development project managers, CHDOs and other community non-profits to apply federal regulations to HOME funded programs and development projects; ensure that approvals needed from HUD are acquired; ensure that required record keeping is maintained for projects; and monitor HOME funded projects. City staff closely monitor projects throughout the construction process. Subsequent monitoring involving property inspections and tenant and program file reviews are conducted each year in compliance with HOME program requirements. Projects with 1-4 units are monitored every three years, projects with 5-25 units are monitored every two years, and projects with twenty-six or more units are monitored annually. In FY 2006, the City monitored 1009 units.

FY 2006: HOME Development Projects

68 Bolton Street: Sponsor, Just-A-Start Corporation

Developed by Just-A-Start Corporation (JAS), the condominiums at the corner of Bolton and Blair Streets in North Cambridge were completed in FY 2006. This 6-unit homeownership condominium development is affordable to households earning less than 80% of area median income. It involved the renovation of a vacant single-family home into 2 units and the construction of 2 new duplexes and integrated energy-efficient features such as high efficiency boilers, windows and appliances.

390 Rindge Avenue: Sponsor, Just-A-Start Corporation

Just-A-Start Corporation (JAS) completed the construction of a former Joyce Chen restaurant site on Rindge Avenue, creating eight affordable homeownership units. All units were sold to first-time homebuyer households earning less than 80 percent of the area median income. Units will remain affordable permanently under the terms of the City's deed restriction. JAS began construction on the Rindge Avenue project in FY 2005.

Trolley Square Redevelopment: Sponsor, Homeowner's Rehab Inc.

Homeowner's Rehab Inc is sponsoring the Trolley Square development project, which will create forty affordable housing units on formerly City-owned land in North Cambridge. Of the forty units, thirty-two will be rental units consisting of 1-, 2-, and 3-bedroom units. The remaining eight units will be 3-bedroom homeownership units. The project will also include community space, retail, and open space. HRI continued construction on the Trolley Square project in FY 2006.

2495 Massachusetts Avenue: Sponsor, Just-A-Start Corporation (JAS)

JAS began the redevelopment of the 2495 Massachusetts Avenue site, a former auto repair facility that had been vacant for two years, in November 2005. The project will create 14 homeownership units for first-time homebuyer households earning no more than 80 percent of the area median income. The project consists of thirteen 3-bedroom units and one 2-bedroom unit. The re-developed site will eliminate blight and improve the streetscape in addition to providing housing close to public transportation.

HOME Match Report

Cambridge is a Participating Jurisdiction (PJ) and is therefore required to match 25 percent of the amount drawn down in HOME funds in each fiscal year. HOME funds that do not require a match include funds used for administrative costs, CHDO operating expenses, CHDO capacity building, and seed money or technical assistance loans where the project did not go forward. In the City of Cambridge's FY2006, \$897,784 in HOME funds were disbursed by the City, \$866,027 of which required a HOME match. This resulted in a HOME match liability of \$216,507. HOME projects leveraged \$8,639,822 in HOME match-eligible funds in FY2006 from other public and private sources, exceeding the required match for the current fiscal year. Match funds can be carried over from one fiscal year to the next. As of the end of FY06, the City's total excess HOME match from all fiscal years is \$74,793,898. The completed HOME Match Report form HUD 40107-A is included in the FY06 CAPERs report.

MWBE Report: Minority and Women's Business Enterprise

As stipulated by the HOME program, the City includes in its contract agreements requirements that developers make a good faith effort to involve minority and women owned businesses as contractors and subcontractors when working on federally funded projects. During annual monitoring and at the close of a project, documentation must be provided to demonstrate that efforts were made to include minorities and women in the bidding process. In FY06, all HOME Projects completed in the past five years were monitored to ensure that MWBE Reports, in addition to other required documents, were completed. The completed HOME Annual Performance Report is included the FY06 CAPERs report.

HOMELESS

Homeless Needs

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
3. Identify new Federal resources obtained from Homeless SuperNOFA.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Emergency Shelter Grants (ESG)

1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).
2. Assessment of Relationship of ESG Funds to Goals and Objectives
 - a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.
 - b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.
3. Matching Resources
 - a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.
4. State Method of Distribution
 - a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.
5. Activity and Beneficiary Data
 - a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.
 - b. Homeless Discharge Coordination
 - i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.
 - c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

Program Year 1 CAPER Homeless & ESG response:

Continuum of Care Narrative

Homelessness Objectives

- Provide a variety of housing options, with services, for homeless individuals and families. Support the development of housing at appropriate sites, at a scale that ensures neighborhood compatibility. Ensure the provision of adequate on site services.
- Prevent extremely low and low-income families and individuals from becoming homeless.
- Address emergency shelter and transitional housing needs of homeless individuals and families with children.
- Help homeless persons, including persons with special needs, make the transition to permanent housing and independent living.

Continuum of Care Objectives

- To sustain and expand efforts to prevent homelessness, so that as few as possible individuals and families become homeless.
- To maintain and expand access of homeless persons to programs and services which can meet their basic human needs, so that to the extent that they are willing to accept such assistance, every homeless individual and family has, at a minimum, a safe place to sleep, food, clothing and necessary health care.
- To maximize the number of homeless individuals/families who, with the help of resources available through the Cambridge Continuum of Care, are able to obtain housing and develop the necessary skills, resources and self-confidence to sustain that housing and maximize their self-determination.

The Cambridge Continuum of Care continued to be an active planning entity for homeless service planning and coordination. Service providers and consumers attended monthly meetings to identify needs and gaps in available services. The City was the lead agency for the SuperNOFA application and used the monthly meetings to gather input and set priorities.

FY 2006 Funding Sources and Activities

McKinney Supportive Housing Program: These funds were contracted out to local sponsors, which provided for services such as:

- Transitional housing;
- Permanent supported housing;
- Supported employment;
- Housing placement assistance;
- Field-based case management;
- Legal assistance;
- Representative payee services;
- Drop-in services; and
- Street outreach.

Current Continuum of Care:

- 29 active Supportive Housing Program (SHP) contracts where the grantee is the Cambridge Department of Human Service Programs (DHSP);
- One active Shelter Plus Care (S+C) contract where the grantee is the Cambridge Department of Human Service Programs (DHSP); and
- 2 Shelter Plus Care (S+C) contracts where the grantee is the Cambridge Housing Authority (CHA).

In addition to enabling the one-year renewal of three Shelter Plus Care (S+C) grants (totaling approx. \$500,000) funding housing assistance for 39 formerly homeless individuals and seven (7) formerly homeless families, the 2005 SuperNOFA resulted in approximately \$2.2 million in Supportive Housing Program (SHP) funding, which helped fund:

- One new permanent supported housing project, providing leasing assistance that will enable seven (7) chronically homeless persons with disabilities, including at least 3-4 young adults, to transition from homelessness to housing;
- One-year renewal of 28 ongoing homeless-serving programs, including
 - Six (6) permanent supported housing (PSH) program (serving at least 65 formerly homeless individuals with disabilities and four formerly homeless families with disabilities and histories of domestic violence),
 - Seven (7) transitional housing programs (serving 36 homeless individuals and 5 homeless families),
 - 14 “supportive services only” programs (street outreach, case management and housing search support, drop-in centers for homeless adults and homeless youth, fiduciary services, specialized legal services, educational services, health care and substance abuse prevention services, and voicemail services); and
 - Expanded implementation of our Continuum-wide HMIS (homeless management information systems), providing an integrated on-line data base for tracking services to homeless persons.

All told, the mix of federal, State, local and privately fundraised resources supported 152 year-round shelter beds for individuals, emergency shelter beds for 29-33 families (depending on the number of children in families, rooms can be configured to serve more or fewer families), 119 units of transitional housing for individuals and 5 units of transitional housing for families, and 141 units of permanent supported housing for individuals and 11 units for families.

During FY 06, Continuum of Care providers helped 290* at-risk individuals and 441*¹ at-risk families remain in their housing and avoid homelessness. During that same FY 06, CoC providers facilitated permanent housing placements for 260**² homeless and at-risk

* Multi-Service Center annual statistics

** Combined Multi-Service Center and HomeStart placement statistics. MSC placement statistics (182 individuals, 153 families) include both homeless and precariously housed clients, and do not identify chronically homeless persons at this time. HomeStart placement statistics (78 homeless individuals, of whom 45 were chronically homeless) count only homeless clients..

individuals (including at least 45 chronically homeless persons) and for 153* homeless and at-risk families.

City of Cambridge Funds: A total of over **\$527,000** in FY2006 City funding for Multi-Service center activities involving the prevention and remediation of individual and family homelessness, including:

- \$283,000 for personnel for staff at the Multi-Service Center,
- \$75,000 for rental assistance to at-risk and homeless persons,
- \$50,000 for purchased legal services for clients, and
- \$119,000 for other expenses associated with operation of the Multi-Service Center, including for rent, utilities, and other operating costs.

Community Development Block Grant: A total of **\$78,515** in FY2006 *Community Development Block Grant* (CDBG) *funding* including;

- \$70,240 for salaries & benefits; and
- \$8,275 in other operating expenses.

Housing Assistance Program: A total of **\$129,937** (plus additional performance incentive payments which have not yet been finalized) in FY 2006 funding for this program (98% for staffing-related costs) derived from a contract with the *State Department of Transitional Assistance* (DTA) *funding* through a sub-contract with CAPIC of Chelsea for:

- Homelessness prevention; and
- Housing-search assistance for families.

Massachusetts Housing and Shelter Alliance (MHSA): A Total of **\$88,636** in FY 2006 *MHSA funding* for this program provided staffing for a 22-bed men's transitional housing program through the City's *Multi-Service Center*.

Emergency Shelter Grant

ESG Funds Awarded by the City of Cambridge in FY 2005 & 2006

Shelter Inc.

The women's day drop-in provides daytime support and services to a seemingly ever increasing number of homeless women a day- approximately **30** a day now up from **23** a day in FY 2004. It is primarily a safe-haven to help this vulnerable population off the streets. Services include:

- Crisis intervention
- One-on-one counseling
- Weekly visits from Health Care for the Homeless
- Lunch, Clothing & Showers
- Referrals for mental health, substance abuse, tertiary health care, job training, legal services, and housing search

The FY 2006 ESG funded operating costs including salaries for the program specialist, food and utilities, and the program served **401** homeless women including **228** who were chronically homeless.

ESG	FY 2005	FY 2006	FY 2005	FY 2006
Project	Women's Day Drop-In	Women's Day Drop-In	Shelter + Care	Shelter + Care
Amount	\$27,800	\$28,000	\$20,000	\$20,000

FY 2006 Matching Funds

Women's Day Drop-In: **\$38,225**

- *Sources: Private Fundraising*

Shelter + Care: **\$24,768**

- *Sources: Private Fundraising*

Shelter Inc.'s Shelter + Care program provides stabilization services to between **8** and **12** homeless people with disabilities. Furthermore it helps these individuals transition into their own homes and to successfully live on their own. The FY 2005 & '06 grants paid for part of the salary of the caseworker. In the most recent year, the program served **6** men and **4** women, **9** of whom were chronically homeless.

CASPAR

CASPAR operates their shelter at 240 Albany St, which is a 24-hour shelter open to men and women in Cambridge who are ineligible for other shelter services because of their active substance abuse. The shelter has on-site primary health care four times a week, and provides a range of other services including mental health counseling, alcohol and drug

programs, HIV/AIDS services and hot meals. Though CASPAR had been providing shelter for up to **107** adults per night until FY 2003, in FY 2004 they have had to limit both the number of people who use the shelter at night to **75** (which can increase to **80** with winter overflow beds). During the last year, the program sheltered **738** homeless men and women, **600** of whom were chronically homeless. Both the FY 2005 and FY 2006 grants were entirely for utilities.

ESG	FY 2005	FY 2006
Project	Wet Shelter	Wet shelter
Amount	\$17,800	\$18,000

FY 2006 Matching Funds

Wet Shelter: **\$109,908**

- *Sources: MA DPH and Somerville CDBG*

Hildebrand

The Hildebrand provides emergency shelter for **34** families, **15** of whom are sheltered in Cambridge. In the last project year, the shelter served an average of **56** homeless women and children a night and **72** families over the year. The 24-hour shelter on Bishop Allen Drive is in need of extensive, and continual renovations, and the FY 2005 ESG funds were used to make repairs to their house –specifically their large kitchen on 41-43 Columbia St, which as it was built in the first decade of the twentieth century, requires constant improvements. The FY 2006 funds were for renovations and repairs to their stairway and floors.

ESG	FY 2005	FY 2006
Project	Family Shelter	Family Shelter
Amount	\$8,531	\$8,531

FY 2005 Matching Funds

Family Shelter: **\$8,531**

- *Sources: State DTA*

Transition House

In 1975, Transition house became the first battered women’s shelter in the US, and since then it has sheltered well over **5,000** women and children. Its mission is to provide refuge, supportive services, education and empowerment skills to enable battered women to achieve financial independence for themselves and their families. The shelter has a **27** bed capacity each night and in the last fiscal year served **11** adult women and **12** children per night, and **117** women and children over the year. The FY 2005 grant was for operating costs that help the shelter function and specifically helped provide services to

adolescents and the Haitian community. The FY 2006 grant was again for basic operating costs and minor maintenance.

ESG	FY 2005	FY 2006
Project	Battered Women's Shelter	Battered Women's Shelter
Amount	\$8,500	\$9,000

FY 2006 Matching Funds

Battered Women's Shelter: **\$29,000**

- *Sources: State DSS, United Way, State administered ESG, private fundraising*

Bread & Jams

Bread & Jams is a process oriented non-profit run by the formerly homeless for the homeless. Those currently homeless are key stakeholders in the organization, and participate in the decision making process. Bread & Jams runs a day drop-in shelter for the homeless providing services including daily meals, job and housing search. In FY 2006, Bread & Jams served on average **55** adults per day, and **178** homeless men and women over the course of the year. Of those clients **56** were chronically homeless.

ESG	FY 2005	FY 2006
Project	Drop-In Shelter	Drop-In Shelter
Amount	\$12,000	\$10,000

FY 2006 Matching Funds

Day Drop-in: **\$76,540**

- *Sources: private fundraising*

Catholic Charities

The ESG helps to operate St. Patrick's Shelter, which in FY 2005 provided shelter to **249** individual homeless women. In FY 2006, the shelter served fewer women, **206** in total, and **51** of whom were chronically homeless. St Patrick's is the only dry emergency shelter for women in the area outside of Boston. While the FY 2005 grant covered more general operating costs, the FY 2006 grant was used for utilities.

ESG	FY 2005	FY 2006
Project	St. Patrick's Women's Shelter	St. Patrick's Women's Shelter
Amount	\$6,132	\$6,500

FY 2006 Matching Funds

St. Patrick's Women's Shelter: **\$7,500**

- *Sources: United Way and Catholic Charities*

Phillips Brooks House

Harvard University volunteers run both St James' Summer Shelter, which is located in St. James' Episcopal Church in Porter Square, and Harvard Square Homeless Shelter in the University Lutheran Church. Both programs serve homeless men and women. While St James' operates at night only through the summer months, and provides dinner and breakfast to **12** clients a night, Harvard Square Homeless Shelter operates at night from the Fall through the Spring serving **24** clients per night. The FY 2006 grant for the Homeless Shelter covered part of the rent, and for the Summer Shelter, it covered more general operating costs. In FY 2006, funding went to St James' Shelter for maintenance and food, and to the Harvard Square Shelter for rent and utilities. During FY 2006, Harvard Square Served **200** individuals, **150** of whom were chronically homeless, and St James', which operates more like a transitional housing program, served **17**.

ESG	FY 2005	FY 2006	FY 2005	FY 2006
Project	Saint James' Summer Shelter	Saint James' Summer Shelter	Harvard Square Shelter	Harvard Square Shelter
Amount	\$1,500	\$1,635	\$2,800	\$2,800

FY 2006 Matching Funds

Saint James' Summer Shelter: **\$24,200**

- *Sources: private fundraising, including Harvard University and Harvard COOP*

Harvard Square Shelter: **\$46,300**

- *Sources: State MHSA, private fundraising including Harvard University*

Cambridge Cares About AIDS (CCAA)

Youth on Fire is CCAA's drop-in shelter for "throw away," run away, homeless youth. This program was developed as a response to an increasing number of homeless youth in Cambridge with HIV who were practicing high-risk behaviors associated with living on the streets. It is the only shelter in Cambridge catering exclusively to youth. The FY 2005 & 06 grants paid for rent at the drop-in. Over **240** youth were served in FY 2005, and **211** were served during the last grant cycle.

ESG	FY 2004	FY 2005	FY 2006
Project	Youth on Fire (rent)	Youth on Fire (Rent)	Youth on Fire (Rent)
Amount	\$7,500	\$9,000	\$9,000

FY 2006 Matching Funds

Youth On Fire: **\$50,671**

- *Sources: Federal SHP & SAMHSA and State DPH*

Salvation Army

The Salvation Army operates a shelter open year round for up to **1,500** homeless from the Cambridge area. This grant for utilities enables the shelter to be a more inviting place for clients as reading lights and, more importantly, the heat could be left on during the day in the winter. During the most recent grant period, **1,275** homeless men benefited from staying at the shelter.

ESG	FY 2005	FY 2006
Project	Shelter for men	Shelter for men
Amount	\$7,500	\$7,500

FY 2006 Matching Funds

Shelter for Men: **\$7,500**

- *Sources: Volunteer labor*

HomeStart

This marked the third year the City has funded HomeStart's Rental Assistance Program through the ESG grant. While the first two years of project funding enabled HomeStart to provide rental assistance to **11** different homeless men and women each year, last year they served **10** individuals. **60%** of clients were women. Funds helped clients to move into permanent housing by providing additional money to these clients for moving, security deposits and rent.

ESG	FY 2005	FY 2006
Project	Rental Assistance Program	Rental Assistance Program
Amount	\$5,200	\$5,200

FY 2006 Matching Funds

Housing Placement Service: **\$16,605**

- *Sources: SHP funds*

YWCA of Cambridge

In FY 2004, the Cambridge YWCA received for the first time in recent memory ESG funding. This funding was used for utilities for its Residence and Family Shelter for homeless women and female-headed single parent families. **Ten** families were helped in FY 2005 and **19** individuals. The funds for the FY 2006 grant were used to renovate the top floor of the family shelter so more families could move in, and in this last year **10** adults and **13** children were served.

ESG	FY 2005	FY 2006
Project	Residence/Family Shelter	Residence/Family Shelter
Amount	\$8,000	\$8,000

FY 2006 Matching Funds

Residence / Family Shelter: **\$8,000**

- *Sources: private fundraising, including a substantial contribution from Citizens for Energy*

Discharge Policy from Cambridge Funded Shelters

The City of Cambridge recognizes the need to try to prevent the discharge of low income individuals and families from institutions into homelessness. That said, the City is aware that a client's discharge from a shelter, transitional housing, or permanent supported housing program can be necessary when their breaking -program rules jeopardizes the well-being of other participants, his or her safety, or the safety of program staff. Discharge can also be appropriate when failure to enforce behavioral guidelines undermines the integrity of the program. However, because a discharge to the street places the offending individual at increased risk, the Cambridge Continuum has adopted the following policy, which member shelters and transitional housing programs are strongly encouraged to follow:

When the discharging shelter, transitional housing, or permanent supported program is unable to assist the discharged individual in accessing an alternate placement, then if the discharge will occur during the hours that the First Step Street Outreach team is operating, the discharging shelter or transitional housing program is strongly encouraged to contact the First Step program for such assistance, provided that (a) the individual being discharged consents to such assistance, and (b) the delay inherent in waiting for the arrival of the First Step team will not place the staff or other guests at additional risk. By calling First Step, the shelter, transitional housing, or permanent supported program understands that it is not discharging the client to First Step, but is making every effort to ensure that the client, once discharged, does not end up unsheltered and without access to resources while on the street.

Additionally a planner from the City of Cambridge's Human Services Department is working with other representatives from the Cambridge Continuum of Care (CCOC) to take part in an ongoing series of meetings with officials from the Cambridge Health Alliance. The purpose of these meetings is to strengthen the collaboration between the City's hospitals and CCOC to prevent discharges from medical facilities directly onto the streets. While the dialogue is still nascent, the willingness of both sides to develop a coordinated homeless prevention discharge policy from Cambridge's hospitals is encouraging.

Lastly, the City's planner and members of the CCOC are taking part in a Massachusetts State interagency taskforce on homelessness. Specifically, the Cambridge contingent are focusing on homeless prevention interventions and are planning to liaise with the appropriate State and County corrections facilities to help reduce the rates of discharges into homelessness. As yet no direct ESG funds have been used for these activities,

though it could be argued that part of the City's ESG administration funds are used for this work.

COMMUNITY DEVELOPMENT

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
 - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.
 - b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
 - c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.
2. Changes in Program Objectives
 - a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.
3. Assessment of Efforts in Carrying Out Planned Actions
 - a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.
 - b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.
 - c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.
4. For Funds Not Used for National Objectives
 - a. Indicate how use of CDBG funds did not meet national objectives.
 - b. Indicate how did not comply with overall benefit certification.
5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property
 - a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
 - b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
 - c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.
6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
 - a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
 - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
 - c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.
7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
 - a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.
8. Program income received
 - a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
 - b. Detail the amount repaid on each float-funded activity.
 - c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
 - d. Detail the amount of income received from the sale of property by parcel.

9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
 - a. The activity name and number as shown in IDIS;
 - b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
 - c. The amount returned to line-of-credit or program account; and
 - d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.
10. Loans and other receivables
 - a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.
 - b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
 - c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
 - d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
 - e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.
11. Lump sum agreements
 - a. Provide the name of the financial institution.
 - b. Provide the date the funds were deposited.
 - c. Provide the date the use of funds commenced.
 - d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.
12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
 - a. Identify the type of program and number of projects/units completed for each program.
 - b. Provide the total CDBG funds involved in the program.
 - c. Detail other public and private funds involved in the project.
13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies
 - a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

Program Year 1 CAPER Community Development response:

Community Planning

Community Planning activities undertaken during this program year addressed certain goals and objectives stated in Cambridge's Five-Year Consolidated Plan (July 1, 2006 to June 30, 2010). These established specific goals and objectives are outlined as follows:

- Provide high quality technical assistance to staff members, the City, and residents. Continue to provide support for all departments operations. Federal, State and Local funds. 5-year goals: 60 staff members receiving assistance, FY 2006 goals: 15 staff members receiving assistance.

Accomplishments for FY 2006: 15 staff members received assistance via the upgrading of computer software and hardware and all necessary training and technical assistance associated with these upgrades.

- Provide public with information on planning and zoning. Federal and Local Funds.

5-year goals: 4,000 people served, *FY 2006 goals: 800 people served.*

Accomplishments for FY 2006: 1,700 people served.

- Work with neighborhood groups, residents, property owners, developers and other City departments and state agencies on urban design plans and proposed developments. Federal and Local funds. 5-year goals: 600 meetings with interested parties and groups, *FY 2006 goal: 120 meetings.*

Accomplishments for FY06: 100 meetings with interested parties and groups.

- Develop, implement and review urban design improvements and master plans. Federal and Local funds. 5-year goals: 120 projects to be reviewed, *FY 2006 goal: 24 projects to be reviewed.*

Accomplishments for FY06: 30 projects to be reviewed.

- Staff and assist Planning Board. Federal and Local funds. 5-year goals: 120 meetings assisted, *FY 2006 goal: 24 meetings to be assisted.*

Accomplishments for FY06: 24 meetings.

- Provide parks, playgrounds and recreation site with design and construction supervision services. Federal and Local funds. 5-year goals: 25 park renovations, 30 projects receiving technical assistance.

Accomplishments for FY06: 4 park renovations and 6 projects to receive technical assistance.

Park renovations: Tobin School, Alden Square, Trolley Square And Gold Star Mothers Park.

Projects receiving technical assistance: Russell Field, Lechmere Canal,

- To increase the quality and availability of planning-related information to staff, other City departments, residents, property owners, developers, state and federal agencies. Federal and Local funds: 5-year goals: 600 GIS maps, 500 presentations, 20 project and program materials, 20 major department initiatives, *FY 2006 goals: 120 GIS maps, 100 presentations, 4 project and program materials, 4 major department initiatives.*

Accomplishments for FY06: 200 GIS maps, 100 presentations. 4 Project and program materials, 7 major department initiatives.

Community Planning - General

During the 7/1/05 - 6/31/06 CAPER reporting period, the primary activities undertaken from the above list of five-year goals involved providing high quality technical assistance to staff members, the City and residents for all department operations. Providing the public with information on planning and zoning through phone calls, mailings, brochures, website and office visits. Staff and assist the Planning Board. Activities also included working with neighborhood groups, residents, property owners, developers and other City departments and state agencies on urban design plans and proposed developments and also developing, implementing and reviewing urban design improvements and master plans. Providing parks, playgrounds and recreation sites with design and construction services. Increasing the quality and availability of planning-related information through the Community Planning website.

Concord Alewife Planning Study (ConAle)

Completed working with the Planning Board and City Council on rezoning proposal which addresses land use, zoning, urban design, open space, transportation, housing and economic development. based on the areawide planning process for large mostly underdeveloped commercial/industrial area in Cambridge. City staff met regularly with Planning Board and City Council over the course of 12 months to arrive at final zoning petition that received affirmative vote of the City Council.

Prospect Street Urban Design Study

Developed recommendations in a series of community meetings with neighborhood residents, business and property owners bordering the Prospect Street corridor to address community development issues relating to current and planned development in the area, pedestrian and landscape environment.

Open Space/Playground Renovations

Completed park improvements at Gold Star Mother's Park. Completed the community design process for Alden Park and commenced park construction. Commenced community design process for Tobin School and Trolley Square Park.

Gold Star Mother's Park

Gold Star Mothers Park is a 4-acre park located in Cambridge between Gore Street and the border with Somerville. It is the largest open space in the densely populated East Cambridge neighborhood, and also serves the greater Cambridge and Somerville communities. It includes a playground area used by families with children of all ages, a softball field used by organized youth and adult leagues as well as for practice, basketball courts used by children and adults of all ages for informal play and pick-up games, and a system of pathways actively used by pedestrians and bicyclists for recreation, exercise, dog-walking, and as a travel route from the residential neighborhood to a nearby supermarket and shopping center in Somerville. The park was first built in 1968 and last renovated in 1988.

The recent improvements to Gold Star Mothers Park included a full renovation of the playground area. The existing 17-year-old pressure-treated wood playground equipment was replaced with new play equipment made of metal, plastic and rubber. The new play equipment includes a variety of pieces appropriate for toddlers (age 4 and under) and school-age children (age 5-12). The existing water sprinkler was replaced by a new computer-controlled water play system. To increase safety, the play area was re-surfaced and enclosed with a new fence. New pedestrian-scale lighting was installed in the play area and along all pathways throughout the park. New plantings, signage, decorative entranceways, tables and benches were also added to beautify the park and encourage community use, and some equipment was upgraded around the softball field and basketball court. Through the course of these renovations, all pathways and recreational areas were brought up to date with accessibility standards for persons with disabilities.

Technical Assistance

Funding was provided for Technical Assistance for relocation of the City Hall Annex Improvements, Haggerty School Playground, Russell Field and Sacramento Street Garden.

Economic Development

Introduction

The Cambridge community's overall quality of life is based, in part, on business growth and stability. The Economic Development Division's (EDD) efforts focus on activities designed to meet the City's need for a diversified and thriving economic base by providing a broad range of services to assist small businesses including supporting entrepreneurship, working to maintain a diversified employment base and revitalizing businesses in the City's commercial districts.

Toward this end, the Division has several programs that are operated internally and others that work with collaborative partnerships. These programs provide assistance to low-income small businesses and individuals to help increase job opportunities for Cambridge residents and to help provide the goods and services they need.

Objective #1: Cultivate a supportive environment for entrepreneurship with particular emphasis on women and minority-owned micro-enterprises.

- **Non-profit Delivered Programs**

The Department continued its support of Cambridge small business by contracting with The Center for Women & Enterprise (CWE), a nonprofit organization, to provide a number of educational workshops to residents and business in Cambridge NRS areas and low and low-moderate income micro-enterprises. . Workshop offerings included, *Making Your Money Work – A Financial Literacy Training Program*, *Starting Your Own Business*, *Minding Your Own Business*, and *Marketing for Retailers*.

The workshop, “*Making Your Money Work – A Financial Literacy Training Program*”, was offered once in the winter of FY 2006. This workshop series consisted of five sessions that covered topics such as understanding spending habits, credit standing and repair, banking and, budgeting, and developing savings plans for business development, housing and or education. A local bank provided incentives to those who completed the workshop - calculators, free savings accounts and a small initial deposit for each individual.

The “*Starting Your Own Business*” workshop was held in the summer and winter of FY 2006. This workshop series consisted of 2 sessions that provided pre-business development training to low and low-moderate income aspiring entrepreneurs. The program introduced participants to the fundamentals of launching a business through such topics as business plan development, financing strategies, business lending practices, and marketing.

The “*Minding Your Own Business*” workshop was offered in the fall and spring of FY 2006. . This workshop series consisted of four sessions that provided a range of

information to existing small businesses that needed help with improving their operations and increasing their market share. Topics included creating a market niche, pricing for profitability, building and promoting brands, and establishing realistic budgets.

The “*Marketing for Retailers*” workshop was offered in the spring of FY 2006. This workshop series consisted of three sessions that presented ways that retailers could better identify, reach, and keep their customers. There was extensive discussion of new web-based technologies and ways to measure the effectiveness of different marketing strategies.

Marketing: With the assistance of the Economic Development Division, CWE’s outreach and marketing activities included meetings with other non-profit organizations that serve low-mod income clientele for exchange of information on programs, advertising in various newsletters, direct postcard mailings, e-mails to other class participants, fliering to NRS areas, postings on community bulletin boards, notices to community calendars in local and area newspapers, public service announcements on local cable TV and radio stations, and listings on websites including the City of Cambridge, CWE, Career Source and a local sponsor bank.

Leveraged Funds: CWE was compensated a total of \$75,000 in FY 2006 for the financial literacy and business development workshops. . Leveraged Funds totaled \$53,475 and were comprised of CWE staff and instructor compensation, program materials, curricula development, marketing and outreach, postage and general administrative costs.

Accomplishments: During the reporting period, FY 2006, a total of **77** clients attended one of the workshop series delivered by CWE.

Making Your Money Work: For FY 2006, EDD set a goal of **40** total participants for the financial literacy program, expecting that the workshop series would be held twice during the fiscal year. Based on further assessment of community needs, EDD chose to offer this workshop series only once during the fiscal year, thus expected performance targets were not met. A total of **11** participants attended the one series of financial literacy workshops offered in FY 2006. Of the total number, **8** were from the NRS area and **3** were non-NRS income-eligible residents. EDD has provided CWE with technical assistance and community contacts to enable them to conduct more intensive outreach in the NRS areas to help them increase the number of eligible participants for future financial literacy workshops.

Feedback from the most recent workshop clients indicated that many individuals began to understand the importance of establishing budgets, and how good credit impacts long-range goals. After the workshop, several clients had increased savings ranging from \$10-\$270. Additionally, a majority of the clients scheduled individual appointment with a credit specialist to develop detailed debt-reduction plans. Other Program outcomes included:

	<u>Before</u>	<u>After</u>
<i>Have a savings account</i>	25%	75%
<i>Know where they spend their money</i>	25%	100%
<i>Decreased debt/Are debt free</i>	100% wanted to	100% did

Ethnic Composition: The ethnicity of these clients is as follows: **1** Hispanic; **3** White; **7** African American.

Gender Composition: **10** females, **1** male.

Starting Your Own Business: In FY 2006, these workshops outperformed the set goal of **20** total participants. Over the year, a total of **22 eligible** participants attended these workshops, **9** in the summer and **13** in the winter. Of the total number of participants, **11** were income-eligible and **11** were from the NRS areas.

Ethnic Composition: The ethnicity of these clients is as follows: **3** Hispanic; **3** Asian; **7** White; **6** African American, **3 other** / multi-racial.

Gender Composition: **19** female, **3** male.

Minding Your Own Business: For FY 2006, these workshops just missed meeting the set goal of **30** participants. Over the year, a total of **18 eligible** participants attended these workshops, **8** in the fall and **10** in the spring. Of the total number of participants, **12** were from the NRS area and **6** were income-eligible. EDD has provided CWE with technical assistance and business contacts to enable them to more successfully outreach to NRS businesses and income-eligible micro-enterprises for future business development programs such as this one.

Ethnic Composition: The ethnicity of these clients is as follows: **2** Hispanic, **2** Asian; **7** white; **4** African-American; **3** multi-racial.

Gender Composition: **14** female, **4** male.

Marketing for Retailers: This new workshop had a total of **9 eligible** participants attending. Of the total number of participants, **7** were from the NRS area and **2** were income-eligible. Given clients' satisfaction with this workshop, EDD plans to hold a similar program in FY 2007 and will provide CWE with technical assistance in outreaching to income-eligible micro-enterprises and businesses in the NRS areas.

Ethnic Composition: The ethnicity of these clients is as follows: **1** Hispanic, **1** Asian; **3** white; **3** African-American; **1** multi-racial.

For all the business development workshops, client evaluations indicate that sessions met overall expectations and instructors were able to provide valuable tools and insight for business growth. Clients generally expressed an interest in taking additional workshops.

Objective #2: Promote thriving retail districts

- ***Best Retail Practices Program***

Best Retail Practices Program is designed to assist Cambridge retailers and restaurateurs improve the interior appearance and design of their establishments, their marketing and the operating efficiency of their businesses. The City hired 2 retail consultants (sub-recipients) to provide expert advice to participants about such topics as lighting, window display, interior layout, color and signage, as well as management issues, security and marketing.

The Program was offered twice during the reporting period, in the Fall/Winter and in the Winter/Spring. The Program is divided into three parts:

Part I was a Workshop offered to all Cambridge retailers and used as an outreach activity to find income eligible micro-enterprises or businesses located in the NRS to participate in Part II, Individual In-Store Consultations. At the Workshop the City's consultants gave a Power-Point presentation of visual examples of best retail practices and marketing strategies and provided a handout of the presentation and “tips” on marketing and design for participants to take back to their establishments. HUD mandated eligibility requirements were explained by City staff and applications for Part II were taken from eligible applicants.

Part II provided individual in-store consultations to eligible applicants. The consultants and EDD staff visited participant businesses, made recommendations for improvements and sent a detailed written report to the store-owners of the suggested recommendations, including helpful sketches and photographs. After a 4-week period, the businesses received a follow-up visit to address any questions and see if the recommended changes had been implemented. The participant businesses signed *Improvement Commitment Forms* with the City stating the recommended improvements they agreed to make and showing which recommendations would be grant eligible.

Part III, the Grant Program, is a grant assistance program that offered matching grants to participants who had completed Part II of the program. The grants helped participants finance the costs of the recommended improvements to store interiors or marketing. Grants were given on a reimbursement basis for up to 80% of the cost of the improvements, to a maximum of \$3,250.

Leveraged Funds: One-half of the Program consultant's (sub-recipient) compensation was funded with City taxes and 20% of the cost of improvements funded through the Grant Program, were paid by grantees.

Accomplishments: In Fiscal Year 2006, a total of **41** businesses participated in the two Part I Workshops of the Best Retail Practice Program. **24** of the **41** participating businesses continued on to Part II, Individual In-store Consultations. During FY 2006 the City collected comparison sales data from **15** businesses that received in-

store consultations. **10** out of the **15** businesses reported an average of **12.8%** increase in sales after receiving their in-store consultation. **Seven (7)** businesses received grants through the Grant Program. Applications for grants were accepted on a rolling basis and were awarded for such improvements as new table-tops and track lighting for a local restaurant serving Mexican food, new merchandiser Metro shelving and grain bins for a homebrew establishment and new carpet, lighting and wall paint for a restaurant serving Thai cuisine.

Ethnic Composition: The ethnicity of the FY 2006 Part II participants in the Best Retail Practices Program is as follows: **0** Hispanic; **4** Asian; **18** White; **2** Black.

- **Façade and Signage & Lighting Improvement Program**

The City provides technical and financial assistance to property owners and tenants Citywide seeking to renovate or restore their commercial building facades. An architectural consultant retained by the City is available to provide assistance to applicants through the conceptual design stage at no cost to the applicants. Applicants hire licensed architects and contractors to refine the conceptual design and to implement the City approved plans.

The Program provides matching grants on a reimbursement basis for up to **50%** of the cost of the property improvements. The objective for the Program is to enhance the physical appearance of storefronts to help build a stronger customer base for individual stores and their retail districts. CDBG funds were used for soft costs related to design services for improvements to **6** income eligible micro-enterprises façade projects.

Leveraged Funds: Leveraged funds for the Façade and Signage & Lighting Improvement Program are comprised of city taxes and private funds. City taxes were 100% of the total soft costs for design service provided participants in the Program, and 50% of the grant funds. The remaining 50% of the cost of improvements were paid with the private funds of the grantees.

Accomplishments: At FY 2006 end, matching grants were provided for **20** completed projects. A total of **27** applicants received design services during the reporting year. Since 2002, the program has provided design services to **110** business and property owners and helped finance **60** façade or signage and lighting improvement projects throughout the City.

Objective #3: Support bio-medical and healthcare careers training programs

Cambridge Biomedical Careers Training Program: Just A Start

The Cambridge Biomedical Careers Program (CBCP) was offered by a local non-profit, Just A Start Corporation (JAS), with whom the City's Economic Development Division (EDD) contracted in an effort to expand job-training opportunities to **7** residents of the City's *Neighborhood Revitalization Strategy Area* (NRS). Another City of Cambridge department, Office of Workforce Development (OWD), supported **6** additional Cambridge residents. A total of **28** were graduated in the Class of 2006. The CBCP provided graduates with the necessary skills for entry-level jobs in the biomedical field with local biotechnology companies.

CBCP consisted of nine months of academic classes, laboratory training, job-readiness classes and counseling followed by job placement assistance. The program included college level classes, tutoring in biology, chemistry, biochemistry, medical terminology, computers and laboratory techniques. Classes were held at JAS and at Bunker Hill Community College (BHCC), locations close to public transportation and easily accessible to the NRS participants. Graduates received over 700 hours of instruction and laboratory work and completed 18 college credits at BHCC and upon completion of all requirements, received a certificate from JAS and BHCC. The program ran for one calendar year. City EDD funding was **21%** of total Program budget.

JAS tracked the outcome of participants in these trainings. Tracking consisted of maintaining case files on participants with academic and lab skills test scores, career planning activities, tutoring, job placement as well as follow-up phone calls to participants and employers regarding participants' assimilation and job performance after the participant is placed on the job.

Leveraged Funds: 79% of total Program expenses were leveraged funds from the following sources: Commonwealth of Massachusetts, Bunker Hill Community College, Individual Training Accounts, City OWD funds and private funds.

Accomplishments:

As of June 30, 2006, **9** NRS area residents from the Class of 2006 graduated and **3** have received job placements in the following positions: Lab Assistant at Broad Institute, Manufacturing Technician at E-Ink and Research Assistant, Massachusetts General Hospital. Efforts continued to place graduates from the Class of 2005, **7** members of which were supported in the Program. 2005 graduates achieving job placements now totals **21** out of **27** participants. **Five (5)** of these are NRS residents.

Ethnic Composition: The ethnic composition of the **9** students from the NRS supported by EDD and OWD in the FY 2006 class was: **4** Blacks or African American, **3** Asian, **one** Other Multi-Racial and **one** White. There were **5** females and **4** males in the group.

Cambridge Healthcare Career Advancement Program: Cambridge Health Alliance

The Cambridge Health Alliance (CHA) is a regional health care system comprised of three hospitals, more than 20 primary care sites, the Cambridge Public Health Department and Network Health, a statewide managed Medicaid health plan.

The Cambridge Healthcare Career Advancement Program (CHCAP) was offered in FY 2006 for a third year in a row. The City partnered with CHA, to provide support for educational and training services for incumbent CHA employees who live in the NRS areas of Cambridge and are in low-paying, “dead-end” jobs, and for other NRS community residents not employed at CHA, whom are interested in careers in healthcare. The two year Program offered pre-college courses and training required for entrance to college level healthcare degree programs to a total of **22** Program participants. The Program helps NRS residents complete pre-requisites for entry to nursing, medical coding and medical imaging schools to start them on a career path in which they can advance into higher-level jobs earning higher salaries. This reporting year, the **22** new participants were accepted into the two-year program, filling spaces made available after **15** students from the first class of 22 graduated on November 14, 2005. Graduation from CHCAP is defined as having become eligible to enter an associate’s degree program by completing developmental courses (if needed) and the required prerequisites for the healthcare program of the student’s choosing.

The new participant group range in age from mid-20’s to mid 50’s and have varied educational backgrounds. Two have college degrees, 7 had taken some college courses and 13 had not studied at college level prior to entering the CHCAP program. Four of the NRS community resident participants are employed at other area healthcare systems and 2 additional students at an area pharmacy chain. This points not only to the interest of this group in healthcare but to the need for and uniqueness of this type of programming within the healthcare environment of greater Boston.

In summary, the goals of the program include education and training for healthcare careers to CHA incumbent workers and other workers residing in the NRS areas, offering enhanced opportunities for job advancement, providing training for medical certificates and degrees ultimately leading to economic self-sufficiency. Employees currently working at the lowest entry-level jobs are being trained to enter professions in the key shortage areas, at the Alliance and elsewhere, such as laboratory technicians, nursing, medical coding and medical imaging. Program evaluation takes place twice annually.

Leveraged Funds: Leveraged Funds for CHCAP totaled \$50,454.76 for the Academic and FY 2006 years. They are comprised of \$27,204.76 in Salary from CHA for Program Coordination, \$12,000.00 in Tuition Reimbursement from CHA employees’ benefits and \$11,250.00 for use of CHA classroom space .

Accomplishments:

Eight (8) of the **15** November 2005 graduates of the CHCAP completed the application process by December 2005 for the nursing program at Bunker Hill Community College (BHCC). **Three (3)** were accepted in the evening program that began in January 2006 and completed their first semester and **one** was wait-listed for the daytime program. **One** other student was admitted to a BSN at UMASS Boston, beginning Fall 2006. In addition, **one** student began in the fall of 2005 -**3** students were admitted to the associate's degree program in medical imaging at BHCC for the fall 2006. **Six (6)** students continue to pursue admission to nursing school.

While participating in CHCAP, **6** of the **16** CHA existing employees have advanced in their positions.

Original Job Title	New Job Title
Practice Support Coordinator I	Practice Support Coordinator II
Medical Records Assistant I	Patient Access Representative I
Administrative Coordinator I	Administrator Coordinator II
Practice Support Coordinator II	Executive Assistant II
Clerk/Clerical Aide Representative I	Hospital Information Management
Administrative Coordinator II	Bone Density Medical Assistant

All of these promotions involved a pay raise and/or a move into a higher pay scale.

Ethnic Composition: The ethnic composition of the **22** participants of CHCAP is as follows: **9** Hispanics; **11** Blacks; and **2** White.

Department of Human Services

Introduction

The Department of Human Service Programs continued to operate or support many programs that addressed human service needs in the City of Cambridge during the fiscal year 2006. On February 15, 2006, the Cambridge Human Services Commission (a citizens' advisory board) held its annual CDBG public hearing to solicit input on human service needs, trends and gaps in the City of Cambridge. Based on the testimonies and the Commission's recommendations, funding priorities were established for a one-year cycle, commencing on July 1, 2005 and ending on July 30, 2006 (FY 2006). Funding was allocated to 5 categories of service: Youth and Family (*Youth Services*), Linguistic Minorities (*Public Services*), Homelessness (*Public Services*), Domestic Violence (*Battered/Abused Spouses*), Food Pantry Services (*Public Services*), Elderly/Disabled (*Senior Services*).

Community Development Objective

- Improve the quality of Public Services.

Public Service Objective

- Improve the overall quality of life for Cambridge residents by creating and coordinating public services.

Objective #1:

Create or Support a Broad Array of Services and Opportunities for Families and Youth.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide the broad array of services targeting low and low-moderate income individuals and families residing in Cambridge.

Accomplishments:

In FY 2006 a total of **2,894** clients (families and youth) were served by the following programs:

- **Homeless & General Public Services – 2,894** clients served through
 - Multi-Service Center/Homeless (**160**) – Supports staff conducting case management, housing trouble-shooting for families and individuals who are homeless or at the risk of becoming homeless.
 - Hildebrand/Community Bed (**4**) – Temporary shelter to homeless families not eligible to receive housing assistance from existing programs. Case management and stabilization services offered,
 - Margaret Fuller House (**1,539**) – Provides social services to eligible Area IV residents,
 - East End House (**261**) – Enhances services to income eligible residents of East Cambridge by recruiting and maintaining volunteer participation.

- CASPAR Shelter/Gateway (221) – Program provides counseling, pre-vocational job skills training, supervised employment, housing and treatment/placement in recovery programs,
- Concilio Hispano/Information & Referrals (449) - Information, referral and support services to Latino residents of Cambridge,
- Ethiopian Community Association (55) - Information, referral and support services for Ethiopians and other African immigrants and refugees,
- Massachusetts Association for Portuguese Speakers (MAPS) (159) – Case management services for Portuguese speaking residents of Cambridge.
- Food for Free program (46) – Redistribution of salvaged food to meal programs and food pantries throughout the City.

Objective #2:

To create or support domestic violence and abuse prevention and treatment for adults and youth.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide domestic abuse support and awareness services targeting low and low-moderate income individuals and youths residing in Cambridge.

Accomplishments:

In FY 2006 a total of **153** clients were served by the following programs:

- **Battered & Abused Spouses Services – 153** clients served through:
 - Women's Educational Center (59) – Crisis intervention, support groups, community education especially for victims of sexual abuse and violence,
 - GBLS/CASLS (47) – Legal counseling and representation for low-income battered women and children,
 - CLSACC/Domestic Violence (47) – Legal and counseling services for battered women and children.

Objective #3:

To provide after-school and year-round employment programs; including life skills and academic support to youths and young adults.

This Objective was successfully accomplished through the City's contracting with Cambridge Housing Authority and Just-A-Start Corporation to utilize after-school/life skills training program for youth in public housing and job development and employment programs, targeting disadvantaged high school students and out-of-school youth.

Accomplishments:

In FY 2006 a total of **258** clients were served by the following programs:

- **Employment Services - 258** clients served through:
 - Cambridge Housing Authority's Workforce Program (**141**) – Youth development, employment and training for youth in public housing,
 - Just-A-Start/Teen Work (**91**) – Youth employment program providing job readiness training to income-eligible youths,
 - Just-A-Start/Job Placement (**26**) – On-site skills training for income-eligible youths.

Objective #4:

To offer Legal support and services to public & private housing tenants in eviction cases.

This Objective was successfully accomplished through the City's contracting with Community Legal Services/Counseling Center which provided legal counsel/representation to public/private housing tenants in eviction cases.

Accomplishments:

In FY 2006 a total of **61** clients were served by the following programs:

- **Legal Services - 61** clients served through:
 - CLSACC – Provides free legal counsel to families and individuals threatened with eviction and homelessness.

Objective #5:

To create or support services for senior citizens and persons with disabilities residing in Cambridge.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide services targeting low and low-moderate income Senior Citizen and Disabled individuals residing in Cambridge.

Accomplishments:

In FY 2006 a total of **346** clients were served by the following programs:

- **Senior Services - 346** clients served through:
 - Council on Aging (**46**) – Weekly support group for isolated Haitian elders,
 - Council on Aging/Houseworks (**15**) – Staff assists elders at home with odd jobs, performs minor repairs and removes barriers in their living space,
 - SCM (**285**) – Transportation services primarily for medical purposes and persons with disabilities,

Objective #6:

To offer age-appropriate services to disadvantaged and underserved youths.

This Objective was successfully accomplished through the City's contracting with local non-profit community organizations to provide services targeting low and low-moderate income youths residing in Cambridge.

Accomplishments:

In FY 2006 a total of **243** clients were served by the following programs:

- **Youth Services - 243** clients served through:
 - Guidance Center/Early Intervention (**170**) – Intervention services for linguistic minorities with infants/toddlers,
 - Cambridge Camping (**20**) – Summer camp for at-risk children,
 - Adolescent Consultation (**53**) – Provides group counseling to court-referred youths in their early to mid teens.

Neighborhood Revitalization Strategy

Introduction

Through the identification of key need areas within the City, HUD seeks to create communities of opportunity in neighborhoods by stimulating the reinvestment of human and economic capital and economically empowering low-income residents. In response to these objectives the City initiated a Neighborhood Revitalization Strategy (NRS) in late 2001 (FY2002), and has strived to establish a useful and feasible plan that would better serve Cambridge's residents. This process had a slow and deliberate beginning, as programs and details were tailored time and again to meet City expectations and to exist within the City's overall mission. The result, however, is a tangible benefit to the residents of the City's most at-need neighborhoods.

Purpose

The City hopes to promote Economic Empowerment for low/mod-income residents and the Stabilization of its middle-income residents through targeted and specific programs. The NRS plan is intended to mitigate the polarization of Cambridge, where the middle-income residents find little assistance and a cost-of-living that is all too often beyond their reach. HUD has seen this happening in many cities across the nation, as the wealthy acquire properties and the poor remain in subsidized living situations – the middle-income residents have few avenues of support and are often forced out. This “middle class flight” is a detriment to the urban environment and the health of the city. With no middle class there exists no mobility for the poor, as well as a severe drop in the segment of the population that puts great amounts of money back into local businesses and has traditionally had a great pride and interest in the state of their neighborhoods and city. A healthy and thriving middle-class is an essential aspect of any urban community, and as the wealth-gap widens, it has become necessary to direct resources to this traditionally underserved population.

The City is seeking to achieve this through two primary initiatives: The first is the stabilization of neighborhoods through rehabilitation assistance to middle-income homeowners, and the second is the empowerment of low/mod-income residents by providing them with avenues for better, higher paying jobs which allow them to actualize more of their potential.

Location

The City utilized 1990 census data in defining the NRS area, seeking the largest area of the City that was both primarily low/mod-income and residential in its make-up, as is consistent with HUD guidelines. In establishing a large footprint, the City is able to extend NRS specific programs to as many residents as possible. The NRS area includes the Cambridgeport, Riverside and Area 4 neighborhoods, as well as adjoining sections of Mid-Cambridge, Wellington-Harrington and East Cambridge. This cross-section of Cambridge includes its most densely populated neighborhoods, its poorest neighborhoods and various commercial districts – allowing the City to achieve a greater impact and serve a maximum number of residents. Though the area is large and extends beyond

several City defined Neighborhoods, it represents a large contiguous area of residents who all face similar challenges.

Objective #1: The economic empowerment of low/mod-income residents through job creation, job training and placement and educational programs.

Cambridge Biomedical Careers Training Program: Just A Start

The Cambridge Biomedical Careers Program (CBCP) was offered by a local non-profit, Just A Start Corporation (JAS), with whom the City's Economic Development Division (EDD) contracted in an effort to expand job-training opportunities to **7** residents of the City's *Neighborhood Revitalization Strategy Area* (NRS). Another City of Cambridge department, Office of Workforce Development (OWD), supported **6** additional Cambridge residents. A total of **28** were graduated in the Class of 2006. The CBCP provided graduates with the necessary skills for entry-level jobs in the biomedical field with local biotechnology companies.

CBCP consisted of nine months of academic classes, laboratory training, job-readiness classes and counseling followed by job placement assistance. The program included college level classes, tutoring in biology, chemistry, biochemistry, medical terminology, computers and laboratory techniques. Classes were held at JAS and at Bunker Hill Community College (BHCC), locations close to public transportation and easily accessible to the NRS participants. Graduates received over 700 hours of instruction and laboratory work and completed 18 college credits at BHCC and upon completion of all requirements, received a certificate from JAS and BHCC. The program ran for one calendar year. City EDD funding was **21%** of total Program budget.

JAS tracked the outcome of participants in these trainings. Tracking consisted of maintaining case files on participants with academic and lab skills test scores, career planning activities, tutoring, job placement as well as follow-up phone calls to participants and employers regarding participants' assimilation and job performance after the participant is placed on the job.

Leveraged Funds: 79% of total Program expenses were leveraged funds from the following sources: Commonwealth of Massachusetts, Bunker Hill Community College, Individual Training Accounts, City OWF funds and private funds.

Accomplishments: As of June 30, 2006, **9** NRS area residents from the Class of 2006 graduated and **3** have received job placements in the following positions: Lab Assistant at Broad Institute, Manufacturing Technician at E-Ink and Research Assistant, Massachusetts General Hospital. Efforts continued to place graduates from the Class of 2005, **7** members of which were supported in the Program. 2005 graduates achieving job placements now totals **21** out of **27** participants. **Five (5)** of these are NRS residents.

Ethnic Composition: The ethnic composition of the **9** students from the NRS supported by EDD and OWD in the FY 2006 class was: **4** Blacks or African American, **3** Asian, **one** Other Multi-Racial and **one** White. There were **5** females and **4** males in the group.

Cambridge Healthcare Career Advancement Program: Cambridge Health Alliance

The Cambridge Health Alliance (CHA) is a regional health care system comprised of three hospitals, more than 20 primary care sites, the Cambridge Public Health Department and Network Health, a statewide managed Medicaid health plan.

The Cambridge Healthcare Career Advancement Program (CHCAP) was offered in FY 2006 for a third year in a row. The City partnered with CHA, to provide support for educational and training services for incumbent CHA employees who live in the NRS areas of Cambridge and are in low-paying, “dead-end” jobs, and for other NRS community residents not employed at CHA, whom are interested in careers in healthcare. The two year Program offered pre-college courses and training required for entrance to college level healthcare degree programs to a total of **22** Program participants. The Program helps NRS residents complete pre-requisites for entry to nursing, medical coding and medical imaging schools to start them on a career path in which they can advance into higher-level jobs earning higher salaries. This reporting year, the **22** new participants were accepted into the two-year program, filling spaces made available after **15** students from the first class of 22 graduated on November 14, 2005. Graduation from CHCAP is defined as having become eligible to enter an associate’s degree program by completing developmental courses (if needed) and the required prerequisites for the healthcare program of the student’s choosing.

The new participant group range in age from mid-20’s to mid 50’s and have varied educational backgrounds. Two have college degrees, 7 had taken some college courses and 13 had not studied at college level prior to entering the CHCAP program. Four of the NRS community resident participants are employed at other area healthcare systems and 2 additional students at an area pharmacy chain. This points not only to the interest of this group in healthcare but to the need for and uniqueness of this type of programming within the healthcare environment of greater Boston.

In summary, the goals of the program include education and training for healthcare careers to CHA incumbent workers and other workers residing in the NRS areas, offering enhanced opportunities for job advancement, providing training for medical certificates and degrees ultimately leading to economic self-sufficiency. Employees currently working at the lowest entry-level jobs are being trained to enter professions in the key shortage areas, at the Alliance and elsewhere, such as laboratory technicians, nursing, medical coding and medical imaging. Program evaluation takes place twice annually.

Leveraged Funds: Leveraged Funds for CHCAP totaled \$50,454.76 for the Academic and FY 2006 years. They are comprised of \$27,204.76 in Salary from CHA for Program

Coordination, \$12,000.00 in Tuition Reimbursement from CHA employees' benefits and \$11,250.00 for use of CHA classroom space .

Accomplishments: **Eight (8)** of the **15** November 2005 graduates of the CHCAP completed the application process by December 2005 for the nursing program at Bunker Hill Community College (BHCC). **Three (3)** were accepted in the evening program that began in January 2006 and completed their first semester and **one** was wait-listed for the daytime program. **One** other student was admitted to a BSN at UMASS Boston, beginning Fall 2006. In addition, **one** student began in the fall of 2005 -**3** students were admitted to the associate's degree program in medical imaging at BHCC for the fall 2006. **Six (6)** students continue to pursue admission to nursing school.

While participating in CHCAP, **6** of the **16** CHA existing employees have advanced in their positions.

Original Job Title	New Job Title
Practice Support Coordinator I	Practice Support Coordinator II
Medical Records Assistant I	Patient Access Representative I
Administrative Coordinator I	Administrator Coordinator II
Practice Support Coordinator II	Executive Assistant II
Clerk/Clerical Aide Representative I	Hospital Information Management
Administrative Coordinator II	Bone Density Medical Assistant

All of these promotions involved a pay raise and/or a move into a higher pay scale.

Ethnic Composition: The ethnic composition of the **22** participants of CHCAP is as follows: **9** Hispanics; **11** Blacks; and **2** White.

Best Retail Practices Program

Best Retail Practices Program is designed to assist Cambridge retailers and restaurateurs improve the interior appearance and design of their establishments, their marketing and the operating efficiency of their businesses. The City hired **2** retail consultants (sub-recipients) to provide expert advice to participants about such topics as lighting, window display, interior layout, color and signage, as well as management issues, security and marketing.

The Program was offered twice during the reporting period, in the Fall/Winter and in the Winter/Spring. The Program is divided into three parts:

Part I was a Workshop offered to all Cambridge retailers and used as an outreach activity to find income eligible micro-enterprises or businesses located in the NRS to participate in Part II, Individual In-Store Consultations. At the Workshop the City's consultants gave a Power-Point presentation of visual examples of best retail practices and marketing strategies and provided a handout of the presentation and "tips" on

marketing and design for participants to take back to their establishments. HUD mandated eligibility requirements were explained by City staff and applications for Part II were taken from eligible applicants.

Part II provided individual in-store consultations to eligible applicants. The consultants and EDD staff visited participant businesses, made recommendations for improvements and sent a detailed written report to the store-owners of the suggested recommendations, including helpful sketches and photographs. After a 4-week period, the businesses received a follow-up visit to address any questions and see if the recommended changes had been implemented. The participant businesses signed *Improvement Commitment Forms* with the City stating the recommended improvements they agreed to make and showing which recommendations would be grant eligible.

Part III, the Grant Program, is a grant assistance program that offered matching grants to participants who had completed Part II of the program. The grants helped participants finance the costs of the recommended improvements to store interiors or marketing. Grants were given on a reimbursement basis for up to 80% of the cost of the improvements, to a maximum of \$3,250.

Leveraged Funds: One-half of the Program consultant's (sub-recipient) compensation was funded with City taxes and 20% of the cost of improvements funded through the Grant Program, were paid by grantees.

Accomplishments: In Fiscal Year 2006, a total of **41** businesses participated in the two Part I Workshops of the Best Retail Practice Program. **24** of the **41** participating businesses continued on to Part II, Individual In-store Consultations. During FY 2006 the City collected comparison sales data from **15** businesses that received in-store consultations. **10** out of the **15** businesses reported an average of **12.8%** increase in sales after receiving their in-store consultation. **Seven (7)** businesses received grants through the Grant Program. Applications for grants were accepted on a rolling basis and were awarded for such improvements as new table-tops and track lighting for a local restaurant serving Mexican food, new merchandiser Metro shelving and grain bins for a homebrew establishment and new carpet, lighting and wall paint for a restaurant serving Thai cuisine.

Ethnic Composition: The ethnicity of the FY 2006 Part II participants in the Best Retail Practices Program is as follows: **0** Hispanic; **4** Asian; **18** White; **2** Black.

Financial Literacy Programs

The Department continued its support of Cambridge small business by contracting with The Center for Women & Enterprise (CWE), a nonprofit organization, to provide a number of educational workshops to residents and business in Cambridge NRS areas. Workshop offerings included, *Making Your Money Work – A Financial Literacy Training*

Program, Starting Your Own Business, Minding Your Own Business, and Marketing for Retailers.

The workshop, “***Making Your Money Work – A Financial Literacy Training Program***”, was offered once in the winter of FY 2006. This workshop series consisted of five sessions that covered topics such as understanding spending habits, credit standing and repair, banking and, budgeting, and developing savings plans for business development, housing and or education. A local bank provided incentives to those who completed the workshop - calculators, free savings accounts and a small initial deposit for each individual.

The “***Starting Your Own Business***” workshop was held in the summer and winter of FY 2006. This workshop series consisted of 2 sessions that provided pre-business development training to low and low-moderate income aspiring entrepreneurs. The program introduced participants to the fundamentals of launching a business through such topics as business plan development, financing strategies, business lending practices, and marketing.

The “***Minding Your Own Business***” workshop was offered in the fall and spring of FY 2006. . This workshop series consisted of four sessions that provided a range of information to existing small businesses that needed help with improving their operations and increasing their market share. Topics included creating a market niche, pricing for profitability, building and promoting brands, and establishing realistic budgets.

The “***Marketing for Retailers***” workshop was offered in the spring of FY 2006. This workshop series consisted of three sessions that presented ways that retailers could better identify, reach, and keep their customers. There was extensive discussion of new web-based technologies and ways to measure the effectiveness of different marketing strategies.

Marketing: With the assistance of the Economic Development Division, CWE’s outreach and marketing activities included meetings with other non-profit organizations that serve low-mod income clientele for exchange of information on programs, advertising in various newsletters, direct postcard mailings, e-mails to other class participants, fliering to NRS areas, postings on community bulletin boards, notices to community calendars in local and area newspapers, public service announcements on local cable TV and radio stations, and listings on websites including the City of Cambridge, CWE, Career Source and a local sponsor bank.

Leveraged Funds: CWE was compensated a total of \$75,000 in FY 2006 for the financial literacy and business development workshops. . Leveraged Funds totaled \$53,475 and were comprised of CWE staff and instructor compensation, program materials, curricula development, marketing and outreach, postage and general administrative costs.

Accomplishments: During the reporting period, FY 2006, a total of **77** clients attended one of the workshop series delivered by CWE.

Making Your Money Work: For FY 2006, EDD set a goal of **40** total participants for the financial literacy program, expecting that the workshop series would be held twice during the fiscal year. Based on further assessment of community needs, EDD chose to offer this workshop series only once during the fiscal year, thus expected performance targets were not met. A total of **11** participants attended the one series of financial literacy workshops offered in FY 2006. Of the total number, **8** were from the NRS area and **3** were non-NRS income-eligible residents. EDD has provided CWE with technical assistance and community contacts to enable them to conduct more intensive outreach in the NRS areas to help them increase the number of eligible participants for future financial literacy workshops.

Feedback from the most recent workshop clients indicated that many individuals began to understand the importance of establishing budgets, and how good credit impacts long-range goals. After the workshop, several clients had increased savings ranging from \$10-\$270. Additionally, a majority of the clients scheduled individual appointment with a credit specialist to develop detailed debt-reduction plans.

Ethnic Composition: The ethnicity of these clients is as follows: **1** Hispanic; **3** White; **7** African American.

Gender Composition: **10** females, **1** male.

Starting Your Own Business: In FY 2006, these workshops outperformed the set goal of **20** total participants. Over the year, a total of **22 eligible** participants attended these workshops, **9** in the summer and **13** in the winter. Of the total number of participants, **11** were income-eligible and **11** were from the NRS areas.

Ethnic Composition: The ethnicity of these clients is as follows: **3** Hispanic; **3** Asian; **7** White; **6** African American, **3 other** / multi-racial.

Gender Composition: **19** female, **3** male.

Minding Your Own Business: For FY 2006, these workshops just missed meeting the set goal of **30** participants. Over the year, a total of **18 eligible** participants attended these workshops, **8** in the fall and **10** in the spring. Of the total number of participants, **12** were from the NRS area and **6** were income-eligible. EDD has provided CWE with technical assistance and business contacts to enable them to more successfully outreach to NRS businesses and income-eligible micro-enterprises for future business development programs such as this one.

Ethnic Composition: The ethnicity of these clients is as follows: **2** Hispanic, **2** Asian; **7** white; **4** African-American; **3** multi-racial.

Gender Composition: **14** female, **4** male.

Marketing for Retailers: This new workshop had a total of **9 eligible** participants attending. Of the total number of participants, **7** were from the NRS area and **2** were income-eligible. Given clients' satisfaction with this workshop, EDD plans to hold a similar program in FY 2007 and will provide CWE with technical assistance in outreaching to income-eligible micro-enterprises and businesses in the NRS areas.

Ethnic Composition: The ethnicity of these clients is as follows: **1** Hispanic, **1** Asian; **3** white; **3** African-American; **1** multi-racial.

For all the business development workshops, client evaluations indicate that sessions met overall expectations and instructors were able to provide valuable tools and insight for business growth. Clients generally expressed an interest in taking additional workshops.

Objective #2: The stabilization of neighborhoods through assistance to homeowners earning up to 120% of median area income.

- **Home Improvement Program**
The Home Improvement Program (HIP) is a low-interest rehabilitation loan program for low and moderate-income owners of one to four-unit buildings. HUD recently approved the City's Neighborhood Revitalization Strategy (NRS) which expands the program to serve households with incomes above 80% of area median income living in low-income census tract areas. Through the HIP program owners use funds to renovate their multi or single family homes to meet HUD, State and City building code requirements with the agreement that rents will be kept affordable.
- **Rehabilitation Assistance Program**
Through this program, youth crews received hands-on rehabilitation experience by working on non-profit sponsored housing projects and the Cambridge Housing Authority's public housing sites. Just A Start administers the program with financial support from the City through the CDBG program. The RAP crews participate in activities undertaken by the Affordable Housing Development (AND) and Home Improvement Program (HIP) in the rehabilitation of homes owned by individuals earning up to 120% of area median-income.

Accomplishments: In FY 2006 Just-A-Start rehabilitated 56 units for NRS residents of which 8 units targeted families whose incomes were 80% - 120% of area median income.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Program Year 1 CAPER Antipoverty Strategy response:

Anti-Poverty Strategy

The City of Cambridge continued its efforts to reduce the number of families and individuals living in poverty during FY2006. The City focused primarily on supporting programs that raise household incomes and stabilize housing situations. It also supported the McKinney grant for which the Department of Human Service Programs will apply annually, in hopes of receiving the maximum amount available to Cambridge to support the development of affordable housing that help homeless persons make the transition to permanent housing and independent living.

Toward this end, the Department of Human Service Programs (DHSP) uses City tax dollars (and new resources from state, federal and private sources) to provide a number of direct services aimed, directly or indirectly, at increasing household incomes. These include adult education and ESL classes, employment services for youth and adults, and childcare. DHSP provides benefits counseling, daily congregate meals and a food pantry for the elderly.

DHSP also funds a range of community-based programs aimed, directly or indirectly, at increasing household incomes. These include food pantry programs, programs designed to provide immigrant populations with access to social services as well as information and referral. DHSP funds programs to prevent and to alleviate the devastating impact of domestic violence, which often plunge women and their children into poverty. DHSP operates the Summer Nutrition program for children and youth in many locations citywide, and provides nutritious snacks and meals year-round for participants in its enrolled childcare and Youth Center programs.

In addition to the City's commitment to develop and preserve affordable housing and the efforts of the Cambridge Housing Authority, DHSP directs City tax dollars (and new resources from state, federal and private sources) to provide a number of direct services that help homeless families and individuals find and retain transitional and permanent housing and prevent eviction by stabilizing individuals and families in existing housing. An additional strategy employed by DHSP is a fuel assistance program.

DHSP also funds a range of community-based programs that help homeless families find transitional and permanent housing and prevent eviction by stabilizing individuals and families in existing housing. These include a program to provide legal services and support to low and moderate income families who face eviction or legal barriers to obtaining permanent housing.

The Department of Human Service Programs works closely with the Community Development Department and the Cambridge Housing Authority to maximize the impact

of these programs on poverty levels. Taking into consideration the factors over which our jurisdiction has control, we believe that this strategy will significantly improve the lives of low-income working families, elderly on fixed incomes, immigrants, victims of domestic violence, single mothers moving off public assistance and others who struggle with poverty in our City.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

Program Year 1 CAPER Non-homeless Special Needs response:

See: Housing Narrative

Specific HOPWA Objectives

*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
 - a. That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;
 - b. That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;
 - c. That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;
 - d. That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;
 - e. That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,
 - f. That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.
2. This should be accomplished by providing an executive summary (1-5 pages) that includes:
 - a. Grantee Narrative
 - i. Grantee and Community Overview
 - (1) A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
 - (2) How grant management oversight of project sponsor activities is conducted and how project sponsors are selected
 - (3) A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS
 - (4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
 - (5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations
 - (6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.
 - ii. Project Accomplishment Overview
 - (1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences

- (2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
 - (3) A brief description of any unique supportive service or other service delivery models or efforts
 - (4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.
- iii. Barriers or Trends Overview
 - (1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement
 - (2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and
 - (3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years
- b. Accomplishment Data
 - i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).
 - ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

Program Year 1 CAPER Specific HOPWA Objectives response: **NA**

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

Program Year 1 CAPER Other Narrative response: **NA**